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# WATERLOO AREA LOCAL GOVERNMENT REVIEW

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Waterloo  
New  
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Hespeler

Stratford

Kitchener

Preston

COUNTY

Galt

Paris

Hamilton

Woodstock

Brantford

London

St. Thomas

Welland

## REPORT





**WATERLOO AREA  
LOCAL GOVERNMENT REVIEW**

**REPORT**  
  
of  
  
**FINDINGS and RECOMMENDATIONS**

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*Special Commissioner*

RON. M. FARROW, M.A.

*Resident Research Director and Secretary*

**FEBRUARY 1970**

For copies of this Report, enquiries should be directed to  
the Department of Municipal Affairs, Toronto, Ontario.



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## LETTER OF TRANSMITTAL

February 27, 1970

To the Honourable W. Darcy McKeough,  
Minister of Municipal Affairs

Dear Mr. Minister:

I am pleased to submit herewith the Report on local government in the Waterloo Area.

The Report was compiled on the basis of the submission of briefs, extensive public hearings and the collection of much additional information. The procedures have been marked by extensive local participation in a study which is as much for the people and municipalities of the Area as it is for assistance to you and your colleagues.

I wish to thank you and your predecessor, the Hon. W. J. Spooner, for making the invaluable services of Mr. R. M. Farrow available as Secretary and Resident Research Director. His enthusiasm, judgement and knowledge of the Area made him indispensable to the Review.

Respectfully submitted,

A handwritten signature in cursive script, reading "Stewart Fyfe".

Commissioner

## TERMS OF REFERENCE OF THE COMMISSION — WATERLOO AREA LOCAL GOVERNMENT REVIEW

The municipalities included in the specific study area, referred to throughout the Report as the *Waterloo Area*, are as follows:

Cities	Villages
Galt	Ayr
Kitchener	Bridgeport
Waterloo	Wellesley
Towns	Townships
Elmira	North Dumfries
Hespeler	Waterloo
New Hamburg	Wellesley
Preston	Wilmot
	Woolwich
County of Waterloo	

With reference to these municipalities the purpose of the study is:

To inquire and report upon —

(a) the structure, organization, financing and methods of operation of all the municipalities and their local boards in the County of Waterloo including the Cities of Kitchener, Waterloo and Galt;

(b) all aspects of the functions and responsibilities of the existing local government institutions within the said Area and, in particular, without limiting the generality of the foregoing, inter-municipal relations and problems which concern or may concern any two or more of the municipal corporations or local boards having jurisdiction within the said Area;

(c) the anticipated future development of the Area or other changes therein which may require reorganization or revision of the existing system of local government in the Area;

(d) the effect of present and anticipated future projects and operations of the national and provincial governments upon the responsibilities and resources of local government therein;

(e) any other related matters, including an examination of boundaries, affecting the local government structure within the Area.



## **ACKNOWLEDGEMENTS**

It was very reassuring for a Commission engaged in examining the need for, and possible avenues of, local government reform to have the active participation and assistance, the enthusiastic assistance, of so many people of the Waterloo Area. A project of this scope and sensitivity would be lost without many helping minds and hands.

The Review could not have been successfully concluded without the diligence and patience of our Secretary, Mrs. Terry Struthers. Our thanks as well to Miss Ronda Dix who was our Secretary through the production of the Data Book and the Public Hearings. The list of people who have participated is lengthy and they will, hopefully, feel rewarded not so much by a mention here, as by the knowledge they have helped in tackling a vital task that will require their continuing attention and effort.





# PART ONE





## CHAPTER ONE

### INTRODUCTION

The major problems facing society today relate to the quality of life. These cannot be resolved by the action of senior governments alone. The problems of pollution, housing, traffic, peace, order and good government require effective government at all levels for their solution.

The principal purpose of government is to provide a number of services through collective actions that the individual citizen cannot secure for himself as well, if at all. The individual probably does not care much which part of government provides the services as long as these are provided at a reasonable cost, and paid for equitably. His concern is more to have effective means of expressing needs and ensuring that his views are respected. A certain capacity for self-examination is therefore required of governments.

A local government review examines the governing or political process, its effectiveness, and the circumstances in which matters of public concern are decided. Specifically, the terms of reference of this Review invite enquiry into the adaptability of the local government of the Waterloo Area to the demands of an increasingly wealthy, complex and dynamic society.

So rapid and diverse are these changes that governments are under increasing pressures in meeting the needs and demands of people. One relevant factor is the rapid growth of population, in absolute terms. Another is the changing distribution of population: more and more people live in cities and towns. At the same time the farm population is declining because of extensive commuting and the continuing shift from primary to service industries. Our society has been made both more affluent and more complicated by better communications and greater economic specialization and technology, while individuals and communities have become less self-sufficient. Three hundred years ago John Donne said that "no man is an island". Arthur Koestler has restated it in terms of the social and economic complexities of the twentieth century, by saying that "each man is an island — trying to attach himself to another".

The accelerating rate of change brings with it demands for conscientious and sophisticated planning. There is no longer time to complete one stage of development before going into the next. A change in attitude towards government is evi-

dent through all of this. There is growing expectation that government should and will act more positively in introducing new legislation and supplying services, to give direction and order to our rapid growth.

These, of course, are observations current today about local government in general. Through the Review, the Commission has tried to discover the specific pressures, problems and attitudes that local governments in the Waterloo Area have to consider in attempting to adapt to present and future needs and conditions.

The terms of reference for this examination of local government in the Waterloo Area are very wide. Not only must the functioning of all aspects of local government be studied, but also other matters bearing on the effectiveness of local government in the Area, including the operation of government departments and agencies at the provincial level. In the Review, "local government" means all local public authorities, both municipalities and such local special-purpose bodies as boards of education, public utilities commissions and health units. There are, in parallel, questions which must be asked about local government to identify problems and find their solution. It is also important to know something of the mix or sum of services that results from the governmental process. Not just the quantity of services but the general quality of life in the Waterloo Area must be considered. The Commission's responsibility is to work with local people concerned with these matters to try to find, with their help, some answer to the four specific questions which the Commission believes must be asked:

First: In what ways are the needs of the Waterloo Area not being met by local governments in the Area, and for what reasons?

Second: Can the existing machinery of local government meet the future needs of this rapidly changing Area?

Third: Can the present local government of the Area be modified to overcome, or at least reduce to tolerable proportions, such inadequacies or weaknesses as are found to exist?

Fourth: If such modifications as are proposed do not go far enough to overcome the present inadequacies, what more drastic and far-reaching changes are desirable and necessary?

These questions must be considered against the particular circumstances of the Area and its several parts, while at the same time the answers should be found within a context compatible with the general legislation related to local government in Ontario.

In trying to deal with these questions the Commission has had the advantage of the frank and open views and assistance of many people. Without the unstinting co-operation of the municipalities, local boards and commissions, other local bodies, organizations and public-spirited citizens, and the assistance of a variety of provincial agencies and departments, the Review would have been a less comprehensive, more time-consuming and less satisfactory proceeding. This help was often given with the knowledge that the recommendations might well lead to the disappearance or diminution of existing institutions with which the individuals concerned were identified.

In places the Report is critical of present governmental arrangements. The Commission is confident however, that criticism is expected and will be accepted as a necessary part of the process of resolving the often intractable problems of government in the Waterloo Area.

It was the willingness to recognize imperfections in the local government of the Area, so characteristic of the progressive nature of the Area and the quality of its political and administrative leadership, that resulted in the Review's being instituted. If, in the following comments, the faults and deficiencies are emphasized and the strengths and accomplishments appear to be passed over, it is in the belief, strongly borne out in the evidence, that the residents of the Area are looking not for a pat on the back but for ways to improve on past performance and to meet new challenges.

In discussing organizations a Scottish economist, Tom Wilson, wrote, "In any organization a degree of muddle is inevitable: how much is avoidable can only be discovered from the inside". That the Review should find some untidiness, inconsistency, inequity, inappropriateness, narrowness of outlook, confusion, duplication and plain muddle is not surprising. A local government embraces all the organizational and functional complexities of any government in terms of services, finances, politics and administration, even though on a small scale. (And the scale is not necessarily so small; Kitchener has a population as large as that of the Province of Prince Edward Island). Moreover, the Review Area contains not one but sixteen municipalities of varying

degrees of complexity, all inter-related, and these relationships are changing, in some cases quite rapidly, as the urban communities push outwards and change in character. This municipal structure is overlaid and supplemented by numerous local boards, commissions and voluntary agencies, some local, some area-wide, and some extending beyond the Area. Nor can the local government of the geographic county be considered in isolation, for there are significant social and economic ties with the surrounding area which are reflected in the provision of local services.

It has been evident throughout the Review that civic leaders in the Waterloo Area have initiated many changes and are willing to institute more. Indeed, over the years, in an attempt to adjust to new conditions there have been many modifications of local government in the Area in terms of boundaries, distribution of functions, internal organization and functioning and relations with other municipalities and Provincial departments and agencies. There is not just a willingness to consider further changes but a positive seeking for answers, arising from an awareness that the magnitude and complexity of the problems of development are such that many of these solutions were inadequate or inappropriate attempts to get at the roots of many of the problems.

The Waterloo Area has probably the most intricate set of community inter-relationships of any area in Ontario, if not Canada, with six urban communities<sup>1</sup> all close to one another and the City of Guelph only fifteen miles away (centre to centre; only eight miles boundary to boundary).

A further element of complexity is the relationship with the Provincial Government and with its departments, branches of departments and agencies. Some of these relationships are comparatively simple and easily understood, others are manifold and elusive. In total, they reflect the complexity of the Provincial Government, the problems of co-ordinating and integrating activities at that level, and the inextricably growing inter-relations between local and provincial governments.

Another important reason for the arrangements being untidy and therefore often open to criticism is time. Institutions change to meet new conditions in a variety of ways and at varying speeds. These alterations inevitably lag behind events, for the changes are based on past experiences with

<sup>1</sup>Kitchener, Waterloo and Bridgeport form one complex with Galt, Hespeler and Preston forming another adjacent to it.



some provision for future probabilities. This process of change is necessarily uneven and in some respects unco-ordinated. The more rapid the physical, economical and social changes, the greater the need for our institutions, both local and otherwise, to adapt to them. When change is as rapid as that experienced in Ontario<sup>1</sup> it is inevitable that, with the best will in the world, many unsatisfactory situations arise. The growth rate in the Waterloo Area has been one of the highest in Canada and one would, therefore, expect even more need for change than in most areas. The question is what should the nature of these changes be?

The Review is one of a series initiated by the Department of Municipal Affairs in recent years in critical areas, in conjunction with the local municipalities affected.<sup>2</sup> As was expected, when each review was conducted by a different commissioner and in areas differing in character, the reports have varied in their recommendations. In 1967, the Ontario Committee on Taxation (Smith Committee) recommended a sweeping re-organization of local government boundaries and functions on a regional basis. More recently (December 2, 1968), the Minister of Municipal Affairs announced a general program of regional government for the whole province. The content of the Minister's announcement has been taken into account, but as there had been no change in the terms of reference of this Review, nor any indication that the recommendations were to be in any way restricted, the Review has continued on the basis of the original terms of reference.

It is the agreed task of the Review Commission to examine in some detail the complexities of the government of the Waterloo Area and the nature of the various problems. The local doubts about the adequacy of government which have triggered the Review arise from some reasonably obvious circumstances that may first be outlined briefly.

The Waterloo Area now has sixteen municipal or general-purpose governments to serve the 240,000 people who live in the Area. In addition to this diverse basic structure, there are many public bodies having responsibility for particular services. These many units of municipal and special-purpose authorities acting separately and

in greater or lesser degrees of isolation from one another contribute to the difficulty, indeed the impossibility of achieving rational, well co-ordinated use of resources. Further, it is difficult for the expert, let alone the man in the street, to know who is responsible for which service, or in a larger sense for the general condition of the community, whether good or bad. One of the important elements of a properly working representative democracy is to be able to identify the people who are doing a good job, and be able to discern who should be entrusted to continue to exercise judgement in public policy and those who should not. Under present circumstances, the matter of who is responsible for what is shrouded in fog by the very number of responsible authorities.

The complexity increases as the Waterloo Area's population continues to grow at a very rapid rate, raising serious doubts about the validity of existing municipal boundaries in terms of how well they reflect the "community", given today's social and economic patterns. Municipalities or other local public authorities make decisions that frequently have an impact far outside their boundaries. This raises additional fundamental questions about the decision-making mechanism and how well the interests of all affected parties are taken into account. In addition, the fact that legal boundaries are necessarily arbitrary to a greater or lesser degree may create problems of fiscal equity in addition to those of representation. The differences in the financial resources of municipalities do not always parallel differences in the demands on them for services.

To date, the adjustment in local government areas arrived at by annexation (and the annexation procedure generally) has not always provided a satisfactory solution to the problems of growth and development. Indeed, the frequency and scale of annexations is one of the central issues precipitating the Review, and occasioning a search for alternative, more fundamental, and wider-ranging reforms. Literally dozens of annexations have occurred in the Waterloo Area in the last three decades, but the number of municipalities has increased, not decreased. As well, it seems fair to say that no significant improvement in general organizational arrangements has been the direct result of annexation activity (although certainly if there had been no, or fewer, annexations, the problems would be much more acute). The apparent inadequacy of annexation procedures alone to meet broad problems of local government is dealt with in greater length elsewhere in the Report.

<sup>1</sup>Between the census years 1951 and 1966 Ontario's population rose from 4.6 million persons to just short of seven million, an increase of more than fifty percent in fifteen years. In the same period per capita personal income in the Province rose from \$860.00 to \$1,994.00, an increase of some 131 percent. The population of the Waterloo Area increased from 126,000 to 217,000 or 72 percent in the same period.

<sup>2</sup>These selected Areas include: Ottawa-Eastview-Carleton, Niagara, Peel-Halton, Lakehead, Brant, Muskoka, Hamilton-Burlington-Wentworth.

The Waterloo Area has shown a very keen and active interest in planning for orderly development. In many instances, however, planners are at odds, or planning activity and decisions are carried out in a one-sided manner. Where a concerted effort has been made to put planning on a comprehensive basis, the political capability to give real effect to planning is still noticeably lacking.

The importance of the inter-relationships and the problems associated with them between varying levels of government can not be taken lightly nor emphasized too much. Local government — and the Waterloo Area offers no exception — cannot be comprehended, nor its effectiveness properly appraised, in a vacuum, and most particularly in isolation from the activities and policies of the Provincial Government. The extent of this inter-connection is best illustrated by two sets of facts: nearly one third of all the provincial legislation enacted each year has some relationship to local government, and it is estimated that more than one third of the Provincial Budget for 1969-70 consisted of grants to municipalities, boards of education and other local bodies. The complexities of local government in the Area are paralleled by an equally complex range of Provincial Government activities, some aimed towards providing services to the Area directly, others towards the activities of various special-purpose bodies and particular activities of municipalities, be they the authorizing of stop signs or approving the construction of a seventy-five million dollar expressway. It is impossible to evade or escape the reality of the dependence of each level of government upon the other. This is, therefore, one study of local government in which little reference will be made to "local autonomy".

The Commission does not wish to be misunderstood on this point nor to pursue it at length. A good deal has been said for a long time about "local autonomy". Certainly local governments are politically responsible to the local community, and not to the Provincial Government. But to set autonomy as the goal of reform only serves to confuse the issue. It should be clear that local governments derive the legal authority for their powers from the Provincial Government which specifies how they shall be organized and in large measure how they shall operate. That is the statutory limitation upon "local autonomy". To exercise their powers, they must look for political authority to their local community, for it is there that the ultimate constitutional (not legalistic) power lies, and to which each and every elected representative must ultimately be accountable.

Reconciling the formal legal base of power with the realities of political responsibility is not easy, but to describe the relationship in terms of "local autonomy", or of local governments being "creatures of the province", only serves to misrepresent the complexities of the relationship. The most important consideration is that there is far too much at stake for all levels of government in evolving rational public policy to allow local government to isolate itself from the others in the hope of gaining what is at best a very illusory autonomy, particularly when ultimately they are all responsible to the same electorate, although in different ways and for different things. It would be more relevant to talk in terms of enlightened responsible government, with all three levels having complementary rôles to play in meeting the needs of the public, both in general and in terms of particular communities and needs.

The complexities of government activity are such that many programs which are primarily provincial or federal cannot work without effective local government. The Select Committee on Municipal Law suggested that "... many of the difficulties in carrying out such functions as slum clearance, urban renewal, town planning, pollution control and area development arise as much from the complexities and fragmentation of local government as from any other source."<sup>1</sup>

If the local governments are unable, unwilling, or ineffective, then the senior levels will be hamstrung in trying to carry out activities which are primarily the latter's responsibilities. There is no more obvious case of this than in the United States, where local government has been notoriously slow to adapt to the challenge of new conditions, and where the federal government with all its vast powers has not been able to ensure what is usually taken for granted as the minimum level of . . . "peace, order, and good government".

The quality of life is directly affected by the quality of the institutions through which the community expresses itself and satisfies its need for services on a common basis — be the community national, provincial or local, there is a need for some mechanism within which decisions are made and decisions taken on matters which affect that community and are of particular concern to it.

The approach of the Commission, then, has been to immerse itself in the problems and circumstances of local government in the Waterloo Area. The Commission has tried to find out as

<sup>1</sup>Fourth and Final Report of the Select Committee on the Municipal Act and Related Acts, March 1965, Page 167.



much as possible about how public policy is made and carried out at the local level, and at the same time to learn something of the problems that the system presents to those who have to live with it.

It bears repeating that the Commission would be sadly remiss if it were to examine only service efficiencies or deficiency in services. This is a study of government, of politics; and it is in this sense that the methods and services of local government are put in the balance in the Waterloo Area. Not only must there be as clear as possible an understanding of who is responsible for what function, but also a clear understanding of how that responsibility is exercised and by whom. How are decisions made, or indeed, not made? And what in fact constitutes the "community"?

The Commission is faced with the problem of finding answers to complex questions. As it contemplates changes in local government, the principle that there should be a community of interest, or if one prefers, problems, has been uppermost. If a local government is to have an identity, it should represent and act on behalf of the residents of an area who have many social and economic interests in common. To this end a good deal of attention has been given to the characteristics of the Area and to defining the actual relationships among the various parts of the Area — which, the Commission finds, are not necessarily the same as what people claim them to be.

The basic function of government is to meet the needs of its residents who live in particular places and have particular needs. To think of government in terms of functions only is to put the cart before the horse, for functions are merely descriptive terms. The real test of government is one of issues, not functions. How are needs determined, and how effectively are they met? Are the different mixtures of services provided in a variety of ways appropriate to meet particular needs? Are there needs which are not being met and problems which are not being resolved, and if so where are the inadequacies in the system which inhibit the detection of needs and the response to them? Only if the importance of activities and problems is measured by their relevance to the ultimate consumer of the service can government claim to meet the prime tests of responsiveness and responsibility.

The Commission is not convinced that bigness, of itself, is the answer to more effective nor even more efficient local government. The identification of the community of interest is important to producing effective government. There is an urgent

need, however, for government at every level to comprehend its responsibilities, to measure accurately its resources, to relate its responsibilities to its resources in setting priorities, and to act with authority and dispatch. The demand for services from the public inevitably exceeds the public's willingness, and perhaps capacity, to pay for them. Part of the responsibility of government is to determine how the financial and other resources of the community shall be allocated to providing services, and to devise means for most effectively combining and administering the wide variety of activities.

There is little doubt that the adequacy of financial support for public activity ranks high in matters of concern at the local level. One of the most familiar criticisms related to local government today is that municipal tax sources are very limited and in some respects not appropriate to the services which local governments are expected to provide. This in turn raises the question of whether or not some services should be provided locally, and whether new ways should be found of ensuring adequate resources for those services which are provided locally.

It would be foolish to suggest that the problem to be overcome is simply one of providing more dollars to the existing fragmented system. The number of dollars available for public use does have a limit, especially when set against stated need. It would be equally foolish to suggest that the public sector will not continue to require substantial and increasing financial support. The answers to the questions of how to make the best use of these limited financial resources and who should decide their "best" use are critical to rational priority-setting and effective government. The prudent use of public funds and the more equitable sharing of the tax burden in the face of rising demands will require better and more adaptable government and decision-making processes than are in evidence in the Area at present. If anyone doubts the importance of the activity (and the financial support thereof) in the public sector, perhaps some reflection upon the recent words of J. K. Galbraith in reference to American urban problems would be helpful in gaining perspective:

... while there have been many explanations of our urban disasters of recent times, some designed, not without thought, to direct attention away from remedies that would cost money, few can doubt that persistent and continuing under-investment in needed services is

one. . . But we can have good schools and well-paid teachers and ample and attractive housing and clean streets and sufficient and well-trained policemen and plenty of parks and well supervised playgrounds and swimming pools and adequate divertimento on hot summer nights. These will help, even if they will not completely cure, and they require only a willingness to tax and pay. Not many would now challenge the efficiency or morality of such outlays. And even the most stalwart conservative who dares not venture out in the street at night and hesitates on occasion to drink the water or breathe the air must now wonder if keeping public services at a minimum is really a practical formula for expanding his personal liberty.<sup>1</sup>

While the Commission would agree that there is and will continue to be a pressing need for substantial public sector spending (and questions were raised regarding expenditure on particular services), it would be most inappropriate and indeed an unwarranted intrusion into local decision-making (or governing) to suggest, in the context of this Report, what the decisions should be in respect of, for example, how much money should be directed to each service or problem and in what order, although some attention is given to apparent gaps and deficiencies in provision.

In offering its opinion, the Commission's responsibility is to propose changes in the structure, organization, representation, financial arrangements and inter-governmental relationships that will assist, hopefully, in arriving at solutions to the problems of governing; in short, a basis for rational decision-making and priority-setting. Presumably this will mean that through the Report's recommendations local people will be able to come to grips more efficiently and effectively with many local problems. This may suggest a certain prejudice on the part of the Commission in favour of local government, but the objective, as the Commission sees it, is to suggest ways in which local government may be improved rather than to propose that it be eliminated.

The Commission has, in its work, tried to avoid being distracted by the term "regional government". Fortunately no one asked for a definition — nor would they have received one. The goal has been first, to uncover as many of the problems facing the existing local government in the Area as possible. Having some idea of the nature

and extent of these problems, the Commission has then gone on to offer some proposals for meeting them.

That there will continue to be local government in some form is certain. Central governments can do some things very well, but also they are not well suited to some kinds of activity. Local governments are generally best where the matter is one primarily of local interest and which is therefore best left with those affected, or involving matters requiring knowledge of particular circumstances, or the non-standardized problem which is unique to either the individual or location concerned and where a decision is best made on the spot. The great merit of local government is that it *is* local, not some remote national or provincial body. On the other hand, local government is not an appropriate instrument through which to meet problems which affect very large areas and lend themselves to standardized procedures, or require a uniform policy or standard of service over a wide area. Nor is local government an appropriate body for exercising primary responsibility to meet problems of disparities of income or opportunity, be they among geographic areas or among segments of society.

We are left with a concept of divided responsibility among three levels of government that is most difficult to make comprehensible and effective. Where shall the power (responsibility) lie? How shall the power (responsibility) be divided?

It follows that the status of local government is inevitably a compromise, both for the province as a whole and for each municipality. The difficulties of getting the "right" compromise are compounded by the complexities of the problem and the speed with which conditions can change. It also follows that if there is to be an effective division of power (responsibility) and if those people involved in local government are to take their share of public responsibility seriously and discharge it with success, their rôle must have relevance, cohesion and impact.

In considering the various alternatives, the greatest difficulty has been to bear in mind the great number of ways in which even relatively simple services, such as sewage disposal, can be provided by various combinations of local and provincial bodies, existing and hypothetical, and keeping in mind the complicated relationships between and among various activities. Obviously one can neither affirm that there is only one way to effectively carry out a function, nor start with a blank sheet and design an ideal solution while ignoring what already exists.

<sup>1</sup>"The Affluent Society After Ten Years," J. K. Galbraith in *The Atlantic*, May 1969, Page 41.

For any thing as complex as the problems studied in the Review, and with such imperfect knowledge of the future, it would be presumptuous to elaborate a detailed package of proposed solutions. In some aspects, therefore, certain strategies or lines of approach are suggested within the context of which particular problems can be considered and legislation drafted. For some problems an attempt has been made to suggest specific changes from existing practice which appear desirable, no matter what fundamental changes in municipal boundaries and structure are necessary. In other instances, alternative solutions are proposed and their respective merits discussed.

The Report is written to be read as a self-contained document. It is written against the background of the Data Book published in 1967, which contains extensive information not found in this Report.

While the recommendations are based on the practices and problems of the Waterloo Area, some account has been taken of the need to have general legislation that is applicable to all or most of the province yet flexible enough to meet the problems of this particular Area.

It is hoped that the proposals made are adaptable to a variety of future possible developments, so that the system of local government will have within it some "built-in" ability to meet new conditions, or old problems in new forms.

The description of what the various governments do in the Area and of the associated problems that is set out on the subsequent pages, while extensive, is by no means full. To achieve a definitive description of such a complex and rapidly changing scene is impossible. It is hoped that the injustices are minor and that the picture of what happens is sufficiently full to describe the main activities of the inter-relations between them and more important to provide a basis for understanding how local government in the Area carries out its responsibilities. If the argument is often complex and even repetitious, this is in part inherent in the problem, for complicated problems cannot be described in simple terms.

At the end certain recommendations are made, but ultimately responsibility for the resolution of problems of the Waterloo Area rests with the people of the Area, their elected representatives, and the Provincial Government.



## CHAPTER TWO

### THE REVIEW PROCEDURE AND LOCAL PARTICIPATION

Local involvement in this Review, both during the period leading up to its establishment and through its course, has been at a remarkable level. The keen interest shown in local affairs by so many persons has been most refreshing and very encouraging. Those people directly involved, such as elected representatives and appointed officials have participated: to their interest has been added that of many other residents and groups. This wide interest and concern has been whetted and focused by extensive coverage in all news media in the Area, including the daily and weekly newspapers, radio and television. Tribute should go to the reporters who listened very patiently to all those making submissions and who, on the whole, gave very comprehensive and accurate coverage to the points of view being expressed.

Interest was expressed in other ways. During the course of the Review, the Research Director accepted invitations from more than sixty interested groups, such as service clubs, universities, organizations and associations in the Area, to outline the objectives and work of the Review.

The Commission was gratified by the level of involvement by local people, and the assurance civic leaders and officials in particular were interested in and concerned about solving the problems of local government in the Area.

Considerable efforts were made to encourage local participation in the review process in order to draw out local views of the problems in the Area, to increase awareness of the complexity of the problems facing the Area and to determine the kind of changes that might be acceptable. Not the least important aspect of the Review as a public enquiry was its value as an educational device.

Both the Research Director and the Special Commissioner held several meetings with the local committee that originated the study and with the heads of council, municipal clerks and planners to discuss issues, procedures and progress.

Of the 104 briefs received, the most substantial were over 100 pages in length. Many dealt in considerable detail with the problems of the Area and proposals for changes in local government. They were perceptive of problems and were the result of considerable work. The briefs far exceeded in number those received in any of the

other local government reviews, even where larger populations were involved.

The record shows that the initiative for the Review came from local leaders working with representatives of the Provincial Government. The first formal steps were taken in May 1966, when a local government study committee was created. Included in this group were representatives from the Cities of Galt, Kitchener and Waterloo and the County of Waterloo. A series of meetings through the spring and summer of 1966 resulted in the Committee's proposing that a review similar to others made in selected areas of the Province be instituted.

At the end of October 1966, the Hon. J. W. Spooner, Minister of Municipal Affairs, having received resolutions of Council from each of the three Cities and County Council, was satisfied that such a review should be instituted. Accordingly, the Minister, on November 3, 1966, established the Review with the appointment of R. M. Farrow, M.A., as Resident Research Director and Secretary. Mr. Farrow took up residence in Galt for the duration of the Review. Initially an office was opened in Waterloo, and in 1967 it was moved to Galt.

The first objective of the Review was to prepare a Data Book which would offer a common base for statistical and factual comparisons within the existing structure of local government. It would be important as the Review advanced for those examining the government of the Area to be talking as much as possible about the same things. Hence it was necessary to try to put together a body of facts which accurately and uniformly described the existing arrangements and circumstances.

The Data Book was a compilation of what appeared to be the salient facts available at the time it was prepared. It did provide a common base for discussion and for the preparation of briefs, but it was never intended to be comprehensive. The process of compiling to update and extend the coverage of information has continued up to the printing of this report. Unfortunately it has not been possible to update all the information. While the following chapters do contain some information as recent as 1969, in other cases the analysis has drawn on the information contained in the Data Book, particularly

on financial aspects. At the date of writing, comprehensive financial data are only available for 1967. While it would be desirable to use more recent figures, the general position does not appear to have changed from that in 1965.

It has been said that "perfect knowledge leads to perfect solutions". The Commission does not claim to possess the former and will therefore not proclaim the latter. To achieve the accurate identification of problems is perhaps half the distance to their solution. There are many difficulties (which are dealt with in more depth later in the Report), in gathering all the facts, but the Commission has been fortunate to have the unstinting co-operation of many people of the Area in getting at the facts, the basic issues and the problems.

The assistance of the local officials in responding to extensive enquiries and interviews, along with the invaluable assistance of both the Research and Community Planning branches of the Department of Municipal Affairs, was such that it was not necessary for the Review to engage a large staff.

While the Review was underway, the local study committee responsible for initiating the Review met periodically with the Research Director, and took as its rôle one of liaison with local councils and other bodies rather than one of directing the Review. The committee was not expected nor required to take responsibility for direction of the study.

This attitude was due largely to the opinion held by the committee that it would be most difficult to achieve a singleness of mind about the problems of local government and their solution within the framework of the committee. The Review procedure was accepted as being specially suited to this situation: to seek the opinion of an outside and independent voice.

As has been the case in other area studies, ultimate action will depend upon resolve. The Provincial Government will have to make the final decisions and prepare legislation. The Review procedure will have opened the problems and possible courses of action to local public debate. The Government will have the benefit of this debate and of the subsequent reaction to the Review when deciding what course to take.

In these circumstances the local committee did perform the valuable rôle of keeping itself informed of the purpose, procedure and progress of the Review and in turn informing the respective councils. The committee also provided a forum

in which examination of particular problem areas could be proposed and procedures discussed by the Commission. The committee encouraged municipalities, boards, commissions, associations and organizations in the Area to participate in the Review by co-operating in the collection of information about the Area, and by preparing written submissions for the public hearing phase of the Review.

During the Review, this committee of local representatives comprised two representatives from each of the three Cities, two from the County Council and one from the Town of Preston was added to the committee after the Review was underway. Except for the Waterloo City Treasurer, the members were heads or members of council.

On May 4th, 1967, the appointment of Dr. Stewart Fyfe of the Institute of Local Government, Queen's University, as Special Commissioner for the Review, was announced by the Minister of Municipal Affairs. Following this announcement Dr. Fyfe came to the Area to meet with the heads of councils and later with the senior officials of the participating municipalities. The purpose of these meetings was two-fold — to allow the Commissioner and municipal representatives and officials to become acquainted, and to discuss the procedure that would be followed in the Review.

Particular emphasis in these discussions was given to the Commission's wish to see local problems as interpreted by local politicians and other interested parties. It was stressed that a knowledge of local views had to come in advance of any attempt by the Commission to offer its opinion on problems and proposals for reform.

It was felt that the most suitable way to gather and discuss this important information would be through public hearings held at various centres in the Area. Before these could begin, however, a period of some months was allowed between the distribution of the Data Book (August 1967) and the opening of hearings (late January 1968), to provide for the preparation of written briefs.

To assist in the preparation of briefs, the Data Book included a section on the procedure to be followed in the hearings and the main problems and approaches which it was hoped would be covered in submissions. The section dealing with Review procedure, which is included in Appendix A, was reprinted and given wide distribution in the Area in an effort to encourage and underline the importance of local involvement. In addition,



to encourage participation, the Special Commissioner met with local representatives and officials to discuss their participation in the Review, the preparation of briefs and the procedure of the public hearings. In these meetings, held in October 1967, and January 1968, the importance was stressed of local people taking the opportunity to take a careful, critical look at the system in which they operate. Local people were urged to look at the problems and wrestle with them. Even if the Commission could claim omniscience, it would be of little practical value, since local government problems should more properly be recognized by the people who have to contend with them — particularly if proposals are to become real solutions. As stated in Chapter 7 of the Data Book,

“The success of the Review will depend in large part on the people in the Area. They are in the best position to know the deficiencies, if any, of the existing arrangements and to suggest what alternative arrangements would be suitable and acceptable, given the particular characteristics and foreseeable development of the Area”.

It is hoped that the Review process will lead to workable reform in local government. Chances for this are probably slim unless local politicians and residents see the Review and its proposals as a means to come to grips with the problems standing between them and more effective local government, and see that solutions which might meet their particular problem become unacceptable when placed in the context of the wider community. Unless local leaders feel they can make a commitment to make any new arrangements work, the entire exercise could be quite futile.

The twenty-five days of public hearings began at Waterloo City Hall on January 24th, 1968. By the time hearings were completed (including the special hearing on September 30th, 1968), 103 briefs had been entered with the Commission and over 80 of them discussed in the public hearings, some at considerable length. For example, the briefs submitted by the Town of Preston and the Planning Board for the City of Kitchener were each discussed for nearly three days in the hearings. More evidence of the length of discussion is provided by the more than 2,000 pages of transcript of the proceedings. As already noted, the number of briefs received was impressive. Of the 104 briefs, twenty-seven were from municipal councils (eleven from outside the Area), thirty-five from boards and commissions, sixteen from organizations and associations and another twenty-

six from individuals. While the majority of hearings to discuss these briefs was held in the Council Chamber of the City of Waterloo, several days were spent in discussion in the council chambers of Galt, Wilmot Township (Baden), Elmira and Kitchener. The briefs submitted are listed in Appendix B.

Through the public hearings it was hoped that a number of things would be achieved that were important to the success of the Review. It was expected that facts would be assembled that had not been derived from other sources by the Commission. The hearings would provide for open and free discussion of the problems of local government as seen by those in the Area. The problems would be laid out “on the table”, and the Commission would have an opportunity to make sure it clearly grasped the points of view being expressed by those making submissions. As well, in the rôle of devil’s advocate, the Commission would have an opportunity to bring out the implications of certain proposals and to push the arguments made to the limits of their logic. By these means, it was the Commission’s wish to bring the issues before the public and to encourage a free play of ideas.

With so many persons, public authorities and private groups putting forward their views, often quite diverse and opposed, it would be too optimistic and perhaps a little unrealistic to expect to find a consensus. A consensus would be helpful, but in its absence it would be important for the Commission to know the various problems and opinions as seen by the local people so that they could be weighed as the Commission made its judgement of the issues at stake.

The hearings were conducted as informally as possible, and interested parties — such as those representing municipalities, boards and commissions or interested residents — were free to ask questions of those making their views known; and in many instances they did so. In some cases those appearing used the services of legal counsel.

The Commission was particularly gratified by the very kind hospitality extended to it by all municipalities during the course of the hearings. Many useful hours were spent discussing the problems of the Area in surroundings somewhat more informal than those of the hearing rooms.

In June 1968, those parties, particularly the municipalities, wishing to make supplementary submissions were invited to do so. Many municipalities did take the opportunity to expand upon



their earlier views, to comment on other views expressed and to answer questions left with them by the Commission at earlier hearings.

It was made quite clear that no one need feel committed to any given position as the hearings proceeded. As more and more facts and opinions became known, it was a reasonable consequence to find that some wished to change their position: the Commission welcomed this, taking the view that changed circumstances and additional information might properly alter cases.

Some note should be taken of the fact that particular interest was expressed by the Commission in respect of the implications of the new school arrangements. A number of municipal treasurers and the Interim School Organization Committee were asked to prepare and present their findings at the public hearings in June 1968. These were found to be of such immediate interest that the material was forwarded to the Minister of Municipal Affairs.

While the Review was limited to Waterloo County, the terms of reference did permit an examination of the appropriateness of the county boundary. Each adjoining municipality was therefore informed of the proceedings and invited to make a submission if it wished. A significant number did so, and many had observers at some of the hearings.

The audiences at the hearings were generally small, ranging downwards from fifty to one or two persons in addition to those appearing. These audiences often comprised members of the groups making submissions, council members and school trustees, various officials, interested residents and students from the universities and high schools of the Area. The fullness of the coverage by the press, radio and television was however, an indication that the degree of interest in the Review would not necessarily be measured by the number present at the hearings.

### **Some Special Projects**

Two special research projects were assigned to separate consultants. The Commission wished to gain as much information as possible about community relationships and their significance. The assessment of how well the present boundaries reflect the real limits of the community and how much the inhabitants of various areas have in common with one another in terms of social, economic, and cultural relations, as well as common use of services, is critical to the Review. To

assist the Commission in these questions Mrs. Sally A. Thorsen, (formerly a member on the staff of the Waterloo County Area Planning Board) was engaged to aid in the compilation and analysis of information regarding the characteristics of the Area and the physical problems of development.

During the course of the Review it became evident that a multitude of local government studies had been undertaken and completed on a host of subjects. A planning consultant with long experience in the Area, Mr. Howard Smith, was invited to prepare a report for the Commission, listing the reports that had been completed relating to matters of local government in the Area since 1960. This report on studies done in the Area was distributed to each Council and Planning Board in the Area for their information. Mrs. Thorsen has supplemented this report by Mr. Smith by compiling a report on studies currently being carried out in the Area. These lists of reports are attached as Appendix C.

At the request of the Commission, the Assessment Commissions for the Counties of Waterloo and Wellington and the Cities of Galt, Kitchener and Waterloo extracted from their respective assessment records a tabulation showing where every resident of their municipality worked. Having information on place of residence - place of work on a comprehensive and current basis has been of the greatest assistance not only in the course of the hearings but also in forming recommendations for changes in boundaries and status of the respective municipalities. The analysis of this invaluable material is dealt with later in this report.

Discussions were also held with a number of government departments to obtain their views of the problems of the Area, their relations with the municipality and other bodies in general and those in the Area in particular and their reactions to some possible solutions. In the context of the interviews all of those approached were most frank and helpful.

The Commission has been kept up to date on the progress and findings of the Waterloo - South Wellington Study, which is being conducted under the auspices of several Provincial Government Departments with the co-operation of the Planning Boards in the area, particularly the Waterloo County Area Planning Board. The work of this study includes an evaluation of Area development patterns, land use, population and employment forecasts, and local traffic studies,

completed in the Counties of Waterloo and Wellington. While the study is not complete, the data on hand has been available to the Commission.

A procedural question has arisen from time to time, whether the Review should have been delayed until the Waterloo-South Wellington Study was complete. It is the Commission's view that, while the latter may be able to provide valuable data and liaison, to wait for final conclusions is not practical. Pressure for growth and development are such that an extended delay in making decisions about political arrangements may only make the problem more difficult to untangle. It is the Commission's view that substantial improvement can be achieved in the decision-making machinery of government prior to a fuller report on substantive planning matters. In fact, the case may be made that these changes in political (decision-making) arrangements must come before any appropriate action will or should be taken based upon such planning activity as the Waterloo - South Wellington Study.

It is of some importance to keep in mind that changes in local government structure or organiza-

tion which may be instituted now are not necessarily suitable for all time. The changes that are proposed in this report are intended to strengthen the planning function. It is logical to expect that in future reviews of local government (which, undoubtedly, will come at intervals more frequent than each 100 years) a more comprehensive examination of the problem, with the aid of broader and deeper "planning" knowledge, will improve the quality of the recommendations.

By and through these procedures a good deal has been learned about the Waterloo Area. The Commission's enquiries have cast light upon problems that hamper the local government of the Area. Some of these, by their nature, are unique to the Area, others are common to local government everywhere.

While it is dangerous to argue from the particular to the general, it is hoped that much of the information and many of the recommendations will be relevant to the problems of local government throughout Ontario and even further afield.

## CHAPTER THREE

### A DESCRIPTION OF THE WATERLOO AREA

Geographically, the Waterloo Area can be described as a rolling plain measuring thirty-five miles by twenty-five miles, and sloping from north to south. Other than low hills in some areas there are no pronounced natural features except the Grand River and its tributaries the Nith, Conestogo, Canagagique and Speed, flowing generally from north to south. A high proportion of the land is of the highest quality for agricultural purposes, with some areas of sand and gravel, while south of a line roughly following Highway 401 the land tends to be of lower quality with a higher proportion of gravelly soils and small ponds.

The pattern of settlement of this Area is unique among Ontario counties. The County of Waterloo, geographically, embraces two distinctly separate and very substantial urban complexes surrounded by a broad expanse of first-class farming area. In this rural area are a number of small urban centres. Population and acreage statistics for the Area municipalities are shown in Tables 3-1 and 3-2. More graphic descriptions of the physical and other aspects of the Area are available in Maps at the end of the Report. (See Maps 1, 2, 3, 4, 5 and 6).

There are other counties that have much larger urban populations: what is significant about the Waterloo Area and of singular interest to this Review is not only the large number of Cities and Towns of substantial size within a single county, but also that these are grouped in two adjoining urban clusters or complexes. In one complex, the Cities and a Village, Kitchener-Waterloo-Bridgeport, are contiguous to one another. In the other, two Towns, Preston and Hespeler, and a City, Galt, are contiguous save for Highway 401 separating Hespeler from Galt-Preston. In brief, the Area could be said to comprise, in its major urban parts, a "multiple city" structural arrangement. It is not a metropolitan area in the usual sense of one large central city surrounded by suburbs, nor are the populations of the size normally envisaged in the term "metropolitan".

Seen schematically, these two cores form a rough figure eight in the central and south-easterly portion of the County. The two are nearly contiguous as Preston is separated from the southern extension of Kitchener only by the three hundred

foot width of Highway 401. From the northerly extremity of the City of Waterloo to the southern extremity of Galt is about eighteen miles and the maximum width of this configuration is about eight miles.

Waterloo County is, by the standards of southern Ontario, a relatively compact area, of some five hundred square miles (more than twice the size of Metropolitan Toronto). In terms of population the geographic county is the fifth largest out of thirty-eight. The municipal county (i.e. excluding the Cities) is twelfth largest.

The Area is one that in many ways could be said to be of, but not in, Toronto, which lies some sixty miles to the east. Through Toronto's proximity (it is little more than an hour away by car to central Toronto and considerably less to the western suburbs), the Area's business concerns can enter easily into commercial relationships with the massive Toronto market, and the Area's people have close at hand all of the recreational, cultural and other attractions that a metropolitan area just short of 2,000,000 population has to offer.

While the Hamilton metropolitan area with a population of 450,000 is only thirty miles away, for historic, geographic and economic reasons the Waterloo Area has relatively little contact with it. The nearest urban centres are the City of Guelph (population 55,000) three miles to the east in Wellington County, the City of Brantford (population 60,000) ten miles south in Brant County with the neighbouring Town of Paris (population 6,500), the City of Stratford (population 25,000) twelve miles west in Perth County, and the City of Woodstock (population 25,000) twenty miles south-west in Oxford County. Of these only Guelph has any significant connection with the immediately adjacent areas of Waterloo County. To the north-east, north and west the Area is entirely agricultural with no other significant urban centres until one reaches Lake Huron and Georgian Bay.

The Area's earliest settlement, beginning around 1800, was predominantly by people of German origin except for the southernmost portion of the County, where settlement by Scots began at a slightly later date.

The early attractiveness of the Area was provided both by the waters of the Grand River and



its tributaries and by the excellent land that awaited clearing and cultivation. The forests of the Area afforded ample supplies of timber, which constituted, with its related uses, an industry in itself.

The evidence of the Area's history is clear to even the most undiscerning eye. Rugged stone houses, built to last, are to be seen in all parts of the County. By many streams old mills crumble in disuse and decay, still providing evidence of the nature of the early economy of the Area. The last remaining covered bridge in Ontario, the Kissing Bridge, is located at West Montrose, near Elmira. Life of a different substance and pace has also continued for many years, as is apparent from the horse-drawn buggies of the many Mennonites who live, for the most part, in the northerly sections of the County.

Agriculture in the County prospers in spite of the pressures from expanding urban complexes. The Area is one of the leading producers of beef and dairy cattle and, of course, the grains that are necessary to feed these livestock. Market days are still important in Kitchener and Galt, and the Kitchener market particularly is a noted tourist attraction. The Area is unusual in being one of the few in the Province where additional land is being brought under cultivation again after a period of reduction, or the intensity of cultivation increased (See Table 3-3). In most other areas farm land is being abandoned.

As noted, the early settlers were attracted to the Area by abundant water supply and first-class farm land. The attractions, now, are much more diverse, and the impact of urban activity is more and more evident.

Since the incorporation of the Village of Galt in 1830, the number of municipalities in the Area has grown to sixteen. This includes the County of Waterloo, which was formed in 1852, substantially out of the County of Wellington.

Today, the two major urban complexes as described earlier (Kitchener-Waterloo-Bridgeport to the north and Galt-Preston-Hespeler to the south) form a continually expanding axis or corridor in the centre of the County.

While geographical relationships are important, the Commission has gathered a variety of other evidence as well about the various kinds of activity in, among and between the municipalities that may be relevant and useful in drawing conclusions about the relationships and ultimate matters of common interest. The data available for these purposes have substantial deficiencies but, taken

together, they provide an adequate means of determining what the social and economic communities of interest in the Area are for the purposes of the Review.

With its location in one of the main transportation corridors of North America and near a major metropolitan centre, there is an expanding manufacturing base as is to be expected. This is in addition to the activities based on services oriented towards the surrounding area. In examining labour-force activity, it is apparent that the Kitchener-Waterloo-Bridgeport area is principally engaged in the manufacture or processing of food, rubber, metals, leather, garments and electronic equipment. The Galt-Preston-Hespeler complex is predominantly industrial — principally metal fabrication, textiles and shoe manufacturing. This latter area has a high proportion (about seventy percent) of its labour force engaged in manufacturing, while the Kitchener-Waterloo-Bridgeport area labour force is more diversified, a substantial portion of it being engaged in trade, service, finance and public administration, in addition to manufacturing. Higher education is another important activity in the Kitchener-Waterloo area. It is estimated that one in ten of Ontario's university students attends the two universities in the City of Waterloo.

There are, as mentioned, other urban centres in the Area of a smaller scale and more ruraly oriented, surrounded as they are by prosperous farming townships. To the north is the Town of Elmira, while the Town of New Hamburg lies to the west. There are also numerous smaller urban centres, two of which, Ayr and Wellesley, are incorporated Villages. While these smaller urban units serve the special needs of their neighbouring farming population, they also have among them important chemical, metal, textile and woodworking industries.

At the present time, about eighty percent of the Waterloo Area's 516 square miles is under agricultural use or at least is not built upon. The conflict between urban and rural interests has been evident for some time in the Area, and is bound to intensify.

The Village of Ayr, which expressed in its brief the desire on the part of villagers to retain a quiet, non-urbanized community with development being directed elsewhere, has apparently succumbed under pressure and is the most recent municipality to look beyond its boundaries. The Village has made it known that it wishes to annex 2,600 acres of North Dumfries to provide suitable

sites for industrial development, which might help to provide the financial support for the physical services necessary for the standard of living expected today—namely, modern sewage and water plants.

The question of expansion for any municipality is not only affected by political and financial considerations but by physical circumstances — that is, by the lie of the land. Just as a community's atmosphere is shaped by the interests of its population, so is it also affected by its physical and man-made features. Such features, whether they be hills, rivers, flat lands, flood plains, swamps, roads, dams, railways and so on, all have a real effect upon deciding where the thrusts of development shall be aimed and where they will be discouraged or diverted.

The City of Kitchener, for example, has a variety of physical boundaries. To the west lies a rolling topography that has discouraged industrial growth and is attractive only for more expensive home construction. To the south lies the man-made barrier of Highway 401, and to the south and east, the Grand River. While it is true that the presence of a river may ease problems of servicing, it can at the same time present a problem if the community must expand beyond to the other bank. No doubt the pressure for urban development in the area to the east around Breslau would have come sooner and been even greater had the cost of crossing the Grand River with services and bridges not inhibited it. In addition, the possibility of flooding and the likely presence of poorly-drained areas adjacent to the river do limit industrial and residential development to higher ground. This may be just as well, since a very active program of river-land acquisition for green belt and conservation purposes is under way in the area.

To the north Kitchener is bounded by the man-made presence of Waterloo. The physical characteristic here worth noting is that Kitchener and Waterloo lie in the watersheds of different tributaries of the Grand River. On the whole, Kitchener has had its direction of expansion decided by circumstances of terrain and topography. The direction chosen — to the east, across the Grand River — apparently is, in their eyes, the one in which the problems of terrain are, relatively speaking, the least costly ones with which to cope. All the municipalities in the complex have tried to reach out towards Highway 401, particularly for industrial and commercial expansion. In the case of Waterloo City this has taken the form of joining with Kitchener in building a limited-access road.

The two urban cores too, have been deterred from joining together more extensively by the presence of the 401 and the Grand River. Even Hespeler, which has such strong interaction with Galt and Preston, is probably inhibited in these relationships by the intervening barrier of Highway 401. There seems to have been a division between the two major cores prior to the building of Highway 401, which by following what was a natural dividing line has only emphasized and strengthened that division.

Presumably growth will take place in those portions of the existing municipalities (particularly in the Cities of Galt and Waterloo) where serviced land is now available. Kitchener finds itself with limited land for new industrial sites; if it is to grow substantially in future, its borders must expand further into Waterloo Township.

The lack of suitable land is very often caused not so much by physical as by political circumstances. Land suitable for development may extend for miles into another municipality which is not ready for or oriented to the kind of development that is straining at its boundaries.

Indeed, boundaries of the Area's municipalities have been altered more than fifty times, in major and minor annexations involving a total of more than 30,000 acres (See Table 3-4). During the course of the Review, the pressures for development and growth have been obvious and insistent, and in almost every case they involve the Township of Waterloo. The outstanding examples, of course, include the anguished plea by Kitchener for more suitable land for industrial growth (approximately 7,000 acres to the east of that City in Waterloo Township); the proposed Peel Village Highlands participated in by the Town of Preston, requiring some 1,500 acres of land in Waterloo Township; and again in the Township of Waterloo the assembling of some 3,000 acres of land by the Ontario Housing Corporation, presumably to meet future housing requirements in the Area. Other proposals for development have, at one time or another, included plans for housing projects by private interests in and around Hespeler and at Aberfoyle outside the immediate Study Area, south of Guelph.

Since 1932, and with greater frequency in the 1950's and 1960's, the Township of Waterloo has yielded land in excess of 24,000 acres to its neighbours in twenty-seven annexations, the latest being the land ordered to the Town of Preston, effective January 1969 (See Map 6). The Township in its present geographical configuration has often been



referred to on the map as a rather ragged looking doughnut — a tasty morsel that has felt the bite of its neighbours on numerous occasions. It is apparent that the status of Waterloo Township is vital to the entire re-organization of government in the Area.

In 1966, the Township attempted to rationalize its unpredictable and somewhat demoralizing shrinkage by making an effort to catalogue the various needs for land expressed by the Cities of Kitchener and Waterloo, the Towns of Hespeler and Preston and the Village of Bridgeport. The preparation of this report did not lead to success in controlling the pressures, and the Township turned to the Review procedure in the hope of finding alternative answers.

So far the Townships of Wellesley, Wilmot and Woolwich have not had to face the same weight of pressure as have Waterloo Township and to a lesser degree North Dumfries. The proximity of the latter two to the growth areas, however, cannot be ignored. The growth of New Hamburg and Elmira is also northerly.

At present while there appears to be only a limited scattering of new individual houses in rural areas, to meet the needs of urban workers, there are considerable numbers of houses being built in the many small urban centres scattered liberally throughout the Area such as Winterbourne, West Montrose, and Roseville. While the other small urban centres are limited in size at present, as soon as sewers and piped water are available, many of them and (particularly places like St. Jacobs, Baden, and New Dundee with the advantages of proximity to the larger centres) are likely to grow much more rapidly in the absence of more explicit policies and controls to the contrary.

The problem of municipal territorial growth or expansion, whether it be industrial or residential or both, is complicated by the fact that while some municipalities in the Area seek lands beyond their present boundaries for such purposes, other municipalities in the Area do have land available and are awaiting buyers. This is the situation as expressed at the hearings by spokesmen for both Waterloo (City) and Galt.

Figures for 1969 show that the rapid population rise is continuing. In the period between 1961 and 1969, the population of these urban municipalities together grew by thirty-six percent. Projections into the future show little sign that this trend will not continue; indeed, it may even accelerate because of the growing influence of Toronto. Some projections for the Area show an increase

of two and a half times the present population within twenty years (See Table 3-5). The magnitude of these projections implies heavy demands for land. The orderly, rational development of growth of this magnitude will be a critical matter for government in the coming years and will require careful judgment.

The Commission feels that a sense of community will be essential to those making decisions affecting the future and orderly growth. Such a sense of community must be reflected in the local institutions through which decisions are arrived at and acted upon.

The Commission further holds the view, reinforced by its findings during the Review, that in spite of the frequently-used procedure of altering boundaries by annexation or amalgamation, this approach has not yet resulted in boundaries that reflect as accurately as they might the real communities of interest. The Minister of Municipal Affairs, in his statement (December 2, 1968) in respect of plans for local government reform, placed particular emphasis on the importance of considering the community of interest in attempting to redraw local government boundary lines.

While the geographical, industrial, commercial and agricultural elements of the Area and the experience with respect to annexations help in studying relationships within the Area, other data are also important in establishing the nature of the community of interest. In this respect, some of the most valuable data that became available involved statistics describing where people of the Area lived and where they worked. This information was not the result of sampling but relates to the total population for each municipality as gathered by the relevant Assessment Departments in the Area. It is worth noting that this is the first local government review in the Province to have facts of this kind available to it, and these have been relied upon heavily as a useful indication of community relationships. For example, the language used in describing the major urban area as having two separate cores emanates as much from this evidence as from any other.

The figures demonstrate (see Table 3-6) that almost eighty-five percent of Kitchener's resident working population find their place of work as well as their place of residence inside the municipal boundary of Kitchener. At the same time (1969), the City of Galt had a resident working population of which seventy-six percent were employed within their home municipality. These



figures in themselves seem to reject the contention made in some briefs that the Area is really one large community.

There was a greater mobility evidenced in the smaller municipalities contiguous to the largest City in each of the two complexes.

In the Town of Preston, for example, exactly half the working residents went to some other municipality, principally Galt, to their jobs each day. The number going from Preston to their jobs was nearly double the number who travel from Preston to Kitchener for their employment. A similar comparison can be made for the City of Waterloo. Of those working people living in Waterloo, forty percent worked in Kitchener and fifty-five percent in Waterloo. For the Village of Bridgeport, only twelve percent of that municipality's working residents worked in their home municipality, while the great majority went to jobs in Kitchener.

In the case of the Town of Hespeler, about fifty-five percent of its working residents were employed there. The remainder journeyed for the most part to Galt and Preston. The numbers going to work in those two municipalities from Hespeler were four times greater than those going to Kitchener.

Kitchener, however, provided the place of work in a very substantial way for many of its neighbouring municipalities. The highest proportion was found in Bridgeport, sixty-two percent going to Kitchener. For Waterloo Township, forty-five percent went to Kitchener, Wilmot Township had thirty-seven percent of its working residents going to Kitchener each day, and New Hamburg and Wellesley Village each had more than twenty-five percent. Galt, Preston and Hespeler provide the place of work for nearly sixty percent of North Dumfries' working population.

While these data, then, do not suggest one big city, they do offer support for the suggestion that there are very strong relationships between and among the municipalities described as the two urban cores. Kitchener it should also be said attracts substantial numbers of persons from the areas beyond the immediate core, without reciprocating in anything like the same magnitude. Table 3-7 offers a statistical view of the proportion of working residents for each municipality that remain in their home municipality for their work and the percentage that go to their jobs in another municipality.

Before going on to other relevant data it is important to observe that the place of residence-

place-of work data are only available for three years (indeed, for only two years in the case of Kitchener and one year for Waterloo and Wellington County — they are not available for Guelph). Nonetheless, it is clear that in those three years in every municipality but one, the percentage of people working outside the municipality in which they reside has increased. It would appear from this that interdependence, generally, will continue to be a fact of life, and population mobility is increasing. This is in accord with national trends and is directly related to increasing automobile ownership and usage.

Other information, though not always clear in its significance, generally lends support to the 'two complexes' description of the urban area. (This material dealing with a variety of data related to community identification is contained in Appendix D in some detail and is treated briefly here.)

While not available in the same detail, information gathered through traffic origin and destination studies does provide data on a broader range of trip purposes which help in the search for the community of interest. For example, the strong relationship suggested between Galt-Preston-Hespeler is supported by the results of origin and destination studies in the Area. There is interaction to a substantial degree for purposes of business, social-recreation, medical-dental visits and shopping. While Kitchener does exercise some influence in attracting shoppers as well as some interested in recreation, the influence is not as great as one might expect, given Kitchener's relative size and proximity. Indeed, it is estimated that more people travel to Galt from Kitchener than the reverse, for all purposes save shopping.

Similarly, the origin-destination statistics show that a considerable interaction takes place between Kitchener-Waterloo-Bridgeport. Over 4,000 people leave Kitchener each day to work in Waterloo, and the same is true of Waterloo; that is, over 4,000 people leave their residence in that City to go to their jobs in Kitchener. There is a mutual attraction between the two for other purposes as well. The proportionate attraction of Kitchener to Waterloo residents is the larger of the two because of the substantially larger size of the City of Kitchener (three to one).

In examining newspaper circulation in the County, again the evidence suggests two separate spheres of influence. The circulation of the *Kitchener-Waterloo Record* was predominant in those two Cities and all the Townships except

North Dumfries. The *Galt Evening Reporter* with its special coverage of Preston and Hespeler news was predominant in those three municipalities, except that the Kitchener-Waterloo paper makes a strong showing in Preston (its circulation there being better than half that of the *Galt Reporter*). See Table 3-8. It is interesting to note that some of the weekly papers have considerable circulation beyond their immediate boundaries.

Facts about telephone calls in the Area are not as readily available on a clearly defined municipal basis because some operate through the same exchange, e.g. Kitchener-Waterloo. However, the fact that such is the case and that free calling exists between many municipalities suggests a close relationship. It is noteworthy that on calls between Kitchener and Galt a toll is charged. No tolls are charged for calls originating from Hespeler to either Kitchener or Galt, but the number of calls to Galt is double that made to Kitchener.

The two urban complexes are distinctive in their labour force characteristics as well. In general, Waterloo has a preponderance of so-called white collar workers, having the highest proportions of the municipalities concerned in managerial, professional-technical, clerical and sales work. Dominant in the "blue collar" categories is Hespeler with the highest proportion of craftsmen and labour designations. Galt and Preston have much in common in their labour force characteristics, as do Kitchener and Waterloo in theirs.

In Galt-Preston, about forty-three percent of the labour force is engaged as craftsmen, while in Kitchener-Waterloo the figure is thirty-five percent. Again, Galt-Preston each have thirteen percent of their labour force in clerical work and about seven percent in sales, while Kitchener-Waterloo have seventeen percent and eight percent in these categories, respectively. Only in professional and technical pursuits are similar proportions engaged of Galt's and Kitchener's labour forces. Preston's proportions of labour force devoted to these activities are lower and Waterloo's higher.

The distinctive ethnic pattern of the two urban cores continues from the early days. In the three municipalities Kitchener - Waterloo - Bridgeport those of German origin constitute the largest ethnic group, about forty-five percent of the population of that area, while in the Galt-Preston-Hespeler complex the proportion of the population of Scottish, Irish and English extraction is approximately sixty-five percent.

A similar pattern of differences related to the ethnic origin can be seen in religious affiliations, with Roman Catholic and Lutheran being signifi-

cantly the largest denominational groups in Kitchener, Waterloo and Bridgeport. In Galt, members of the United Church form the largest denomination, followed closely by Roman Catholics, Anglicans and Presbyterians in that order; Lutherans are less numerous. The pattern in Preston and Hespeler is not dissimilar to that for Galt and is noticeably different from that for Kitchener-Waterloo.

If one were able to plot scientifically all of the spheres of influence related to the various activities for which some data were gathered (e.g. place of work, place of residence, newspaper circulation, telephone calls, shopping, business transactions, social-recreational) it is likely that many overlapping lines of influence and interest would result, accompanied by more than a little confusion. The net result is to confirm the conclusions drawn from the assessment data, although less positively. The evidence relating to the matter of the communities of interest does lead one to certain specific conclusions. The first would be that the spheres of influence or the areas of common interest are not properly or accurately reflected by present municipal boundaries. Secondly, Kitchener-Waterloo-Bridgeport have more in common among themselves than they have with Galt-Preston-Hespeler, which in turn have strong relationships among themselves. Thirdly, the Commission has turned up no strong evidence to support the claim that Guelph should, as proposed by some for local government purposes, be formally included in any changes for the Waterloo Area. On this last point the Commission was particularly interested in any evidence bearing on the relationship of Guelph with the Waterloo Area. While many briefs held the view that Guelph should become a fully participating member, unit or part of local government for the Waterloo Area, the evidence was clear that while Guelph is, geographically, very nearly in the Waterloo Area, there is relatively little interaction between the two. The Commission takes the view that unless a wide area sees activities and problems in common with other parts of the area, there will be little motivation for co-operation in local government. One outstanding statistic in this respect is offered by the figures on those persons resident in the City of Kitchener and employed in the City of Guelph. Out of Kitchener's 41,212 working residents, only eight-tenths of one percent of that number (346) go to Guelph for their employment. While it is true that even fewer numbers travel to Galt-Preston-Hespeler on the basis of individual municipalities, this latter complex is oriented to



the Kitchener-Waterloo Area through County and other public administration relationships in which Guelph is not involved.

Of the population of Hespeler, which is only ten miles from Guelph by a good highway, only seventy-eight travel to Guelph as against 468 to Galt and 245 to Preston and 149 to Kitchener. Of the 3,310 Galt residents who travel outside the municipality to work, most stay within the urban complex (1,243 to Preston, 566 to Hespeler and only 146 to Guelph).

The reciprocal information for Wellington County (see Table 3-9) also substantiates the conclusions that Waterloo County has only a limited association with Wellington County and Guelph. For example, of the 703 workers shown as residents of Guelph Township, 442 work in the City of Guelph, 214 work in Guelph Township, but only twelve work in Kitchener, three in Waterloo, two in Waterloo Township, three in Galt, two in Hespeler, and one in Preston.

An analysis of the traffic counts on Highway 8 between Guelph and Kitchener tells a similar story. Although traffic volumes have increased, most of this is due to the growth of population and car ownership, and the increase is not of a scale which would indicate a significant change in the relationship between Guelph and Kitchener-Waterloo.

On the whole, the data collected seem to demonstrate that the relationships between Guelph and the Waterloo Area would provide a rather weak foundation for effective local government unification.<sup>1</sup>

The matter of orderly rational planning is offered as the tie that binds the two geographic counties through a common interest. Planning, it seems to the Commission, is so inextricably related to other governmental activities as to be really another word for governing. Unless Guelph and the Waterloo Area could see mutual problems in all of their area, little success in such a marriage is foreseen. It is to be hoped that larger local government units will be effective in planning land use in such areas as that between Kitchener and Guelph without all of each other's local governmental matters being treated jointly. That is, it is to be expected or at least hoped that larger units of local government will be able to afford to consider the interests of their neighbours when deciding long-term land use policy. Indeed it would seem that in matters such as these the Province would have an important rôle to play in

what is referred to as macro or large-view planning. To follow any other "logic" in local government reorganization would lead, presumably, to a "regional government" co-terminous with the boundaries of, at least, Southern Ontario.

It may be that some day the evidence will demonstrate clearly that Waterloo and Guelph have a great deal in common and should form the basis of an effective local government. It is the Commission's view that that day has not yet arrived.

An area beyond the Waterloo County boundary that appears to have a very strong relationship with the City of Galt is the north-west corner of the Township of Beverly. In a brief submitted just before the conclusion of the Report residents of that part of Beverly Township submitted the results of a survey taken, significantly upon their own initiative. The results of that survey are shown in Table 3-10.

The ties between the areas within the Waterloo Area have in themselves varying strengths. But it seems clear that many matters of public and private concern have been the subject of joint and co-operative arrangements relating to roads, health (including hospitals), conservation, schools, welfare (public and private), police, fire protection and others.

The briefs submitted by the County of Wellington, the City of Guelph, and the Townships of Eramosa, Nichol, Puslinch and Guelph all took the view that Wellington did not have sufficient interests in common to justify a common government. Indeed, Wellington County suggested that if anything, its area of common interests lay with Dufferin County to the west. Certainly large parts of the County are feeling a growing influence from the Toronto area. Solutions to the problem of development in the Guelph area need to take into account what is happening in the metropolitan Toronto Region on whose fringe it lies. Indeed, one of the alternative policies for urban development in the Toronto Region suggested in the Metropolitan Toronto Area and Region Transportation Study (Guelph was included in the study area) would detail a deliberate expansion of Guelph on a large scale to accommodate some of the metropolitan growth.

It is significant to note that other local government reviews are taking place adjacent to the southern boundaries of the Waterloo Area with similar terms of reference. It may be that existing county boundaries as well as municipal boundaries are not appropriate to today's activities, and such may be suggested in the reports for Brant as it

<sup>1</sup>As many go from Wellington County to the Toronto area or in that direction for their employment.



was in the Hamilton-Burlington-Wentworth study report. No studies are current in the other bordering Counties of Oxford and Perth. However, the City of Guelph is currently co-operating with Wellington County in examining their needs in relation to municipal form. As has been suggested earlier, the terms of reference for the Waterloo Review are broad enough that if evidence indicates that bordering areas should be considered for inclusion with the specific area of study, or parts of it, they may be so considered.

This, then, is an Area of rapid transition in both social and economic terms. Relationships have changed in the Area and still are changing. The question is still before us: can the old structure and organization provide the kind of political base in which local government may effectively decide and meet the needs that have grown and will grow out of this changing scene? In the following chapters the various local government services will be reviewed, first from the aspect of who does what and then in terms of the problems encountered in each of the service categories.

### **Future Pattern of Development**

This Review was occasioned by problems of growth. It is therefore not enough to look at the present character of the Area; one must also envisage the future pattern of activities in order to form some judgements as to the adequacy to meet future problems of present or proposed arrangements.

At least sixteen population forecasts have been made for the Area or parts of it. Although there are variations in these, the consensus is that the population will redouble in the next twenty years, as it has in the previous twenty; that nearly all of the increase will be in the urban areas; that the relationship with the Guelph area will become stronger, and that the Toronto Metropolitan area will have a greater influence on the growth of this Area. The impact of Toronto's influence is the most difficult to foretell, and could upset all calculations.

The most recent and most thorough study is *The Waterloo - South Wellington Economic Base Study* (which includes the Guelph area). Unfortunately the areas which it uses are not the same as the municipalities of the Review Area. The differences are not serious in most cases, and in fact approximate some of the proposals for boundary changes made later in the Review. Major developments such as Peel Village and the Ontario Housing Corporation holdings north of

Preston would not affect the total population projected nor change its distribution.

Again, Table 3-5 makes it readily apparent how much growth is an urban phenomenon. All, or nearly all, of the projected growth could be accommodated within the existing boundaries of the urban municipalities with relatively modest extensions, if that were so wished. (This is not the appropriate place to go into the issues of urbanization and rural land use which this raises.)

The prospect of population increases on a large scale is going to have major effects on reshaping the urban municipalities in the Area.

In the Kitchener-Waterloo complex, extensive growth to the west is limited by topography, except in the north-west corner of Waterloo Township which can easily be serviced by the City of Waterloo. Kitchener is already reaching south to Highway 401, and there is a large portion of open land in this area, including the main areas of vacant industrial land. There are extensive vacant areas to the east of Kitchener and Waterloo, but difficult decisions are related to a major move across the Grand River. The problems these decisions could raise are dealt with later. The Cities of Kitchener and Waterloo are both growing, each having its own pattern, and Waterloo seems to be having surprising success in maintaining a range of facilities and a sense of identity as a community. The Village of Bridgeport is under considerable pressure from developers, but lacks services at present. It is being increasingly overshadowed by its larger neighbours, and the original residents are being swamped by newcomers in large numbers spilling over from Kitchener and Waterloo.

In the southern urban complex, Galt, Hespeler and Preston form a triangle and the area between them is filling in, particularly with industrial and commercial development stretching out towards Highway 401. There are already signs of a concentration of shopping and other services moving to this area, to serve needs of the three urban municipalities and the surrounding area. Extensive development of Preston can only take place on the west where the Peel Village development is proposed to accommodate 30,000 people, or to the north across Highway 401, in the area owned by the Ontario Housing Corporation, except for some land between Preston and Galt to the east. Further development is possible on all sides of Galt. In some places development is already close to the City boundary. Hespeler has considerable potential for growth, which is at present limited by inadequate sewage treatment facilities. The possibility of major development north and west

across the Speed River in the Fisher's Mill area raises questions of policy and would bring it close to the Ontario Housing Corporation land.

Each of these three municipalities is a distinct community, but the gap in physical development between them is rapidly filling up. Preston, being in one urban complex and very much subject to the influence of Kitchener-Waterloo, is particularly vulnerable to loss of community identity: it lies at the crossroads of the Area where the urban complexes touch. Decisions regarding large scale development in and near Preston are particularly important.

The problems of the rural areas and small urban centres are quite different. Waterloo Township is faced with particular problems as if it were being eaten alive, but it is a large Township in area, nearly 100 square miles, and there are extensive areas where no urban development of any consequence is likely. For the rural areas of Waterloo Township and the other Townships, the problems arise from people who work in the Cities or have lived there, but wish to enjoy the advantages of country living, be they cheap land or a pleasant life. These place pressures on the rural areas by increasing the demand for services, particularly urban services. The price of farm land is increased, with a consequent disruption of the agricultural community. This urban intrusion has another effect on the strong Mennonite communities in the County who, because of the intrusion of urban-oriented activities, tend to move to other, quieter rural areas. There are some signs of the same trend in the farming community generally. When for some reason, usually either rising taxes or rising land values or both, a farm changes hands, the farmer or his sons are tending to relocate ten or more miles further away from the urban centres. The high value of land for agricultural use in the County, and there having been some success in limiting urban-type development, have made this problem less serious than in other centres, but it is still causing considerable concern. On the other hand, the rural townships are also caught in the desire to improve their assessment by attracting industry and expensive country homes, which do not create the same problems as yet because they are few in number.

The problems of development of the small urban centres in rural areas present yet another complication, the smaller centres not being able to afford to supply more than a minimal level of services, yet wanting development so that the community can afford a wider range of facilities,

and in particular to pay for piped water and sewage disposal. The advantages of growth to the village are obvious, but they must be paid for, particularly if the growth makes need for sewers and water supply critical.

The enormous importance for the future character of the Area of the south-easterly part of Waterloo Township came up again and again during the proceedings. In its brief to the Commission the Township raised the issue of development by concentric rings or by a new regional centre in the following terms:

The projected population increase will be urban in nature and will concentrate within and around the existing centres of urbanization.

Some population increase can be expected around many of the small urban communities within the Waterloo Area but the major part of this growth will tend to gravitate to the Cities and Towns forming the core of the Middle Grand Urban Triangle.

The desirability of retaining the good agricultural lands in the centre of this triangle formed by Kitchener, Waterloo, Galt, Preston, Hespeler and Guelph, is recognized but all experience indicates that in the face of pressure for urban growth only limited open space areas can be permanently preserved through acquisition of land by public authority.

In view of the pressures for urban growth areas in the centre of the triangle referred to, the urbanization of much of this area is inevitable. The infilling of this triangle can take place in one of two ways. Either (1) by a continuing series of unrelated annexations by all the urban towns and cities or (2) by a carefully pre-planned new "core" area designed to provide for the population increase which cannot be accommodated in the existing urban centres.

#### *Conclusions:*

1. The existing urban centres in the Waterloo Area will continue to increase in population.
2. That plans should be prepared and implemented to provide for a new urban core area in the centre of the existing urban triangle based on the best planning concepts to form the new "heart" of the ultimate Waterloo Urban Region. (See Concept Plan — Future Urban Areas — Plate 1).
3. That any revised Local Government structure must make provision for the proper planning, creation and control of this new urban core area.



4. That the new urban core area will become a self-contained city created and developed by the Metropolitan Government and separated by green belts from the existing urban centres. The establishment of this new city may require the formation of a Development Corporation. The Grand River Green Belt and the Speed River Green Belt would be created through the joint actions of the Development Corporation and the Grand River Conservation Authority.

This is expressed graphically in Map 4. The Township's brief states the two extreme alternatives. Certainly some of the development will take the form of the extension of the existing urban areas. Unrestricted development would not only result in a very scrambled pattern of land use in the triangle, but also would seriously impair the usefulness of the Waterloo - Wellington Airport. Proposals from the City of Kitchener to annex some 17,000 acres for industrial development east of the Grand River and including the airport, brought protests from other municipalities that Kitchener was grabbing an undue proportion of potential industrial assessment.

More recently the acquisition by the Ontario Housing Corporation of some 3,000 acres of land, the development of which is not yet determined but which could accommodate between 60,000 and 100,000 people brought a violent reaction.

This project is discussed more fully in the Planning chapter, and some local comments are included there. However, a local planner's concerns in the matter were expressed at the public hearing on September 30, 1968 by Howard Smith:

I think that you are aware that as far as I am concerned personally, I have felt that the concept of the new town or a new regional centre in the heart of this Area is a practical concept. I think it is the right concept but in all of the submissions dealing with this concept it has always been suggested that this should be developed as a pre-planned, carefully considered, balanced development within the core of the Area. It has been suggested that this can't be carried out by any one municipality — it will require the resources of all the municipalities, plus the province, plus the federal government for financing. The suggestion has been made that this could be done through a second tier of government to deal with the local responsibilities. I don't think that we could ever get all the municipalities individually in the Area to agree on what should be done, but I think it could be done as a planned program with a

regional government speaking for the Area to the provincial and federal governments. I think the development and how it should be developed must be decided and should be decided by local authorities. The concept of the area was to create something out in the centre that could be broken by major greenbelts from these urban centres so this whole thing doesn't go together as one great urban sprawl — so we don't build in this Area the kind of monuments to our own stupidity as we now call Toronto and Chicago and New York — that it could be broken up.

### **Some Observations on the Description of the Area**

It has been said that statistics are a two edged weapon being useful both to reveal and to conceal, to provide new insight and to mislead. The same can be said regarding the information assembled for the purposes of this Review. There are many common elements and many differences. It is the selection of the significant common features and differences which is vital.

It is clear from the description of the Area and of the various services that the Review Area is in many respects an economic and social unit, and that because all the municipalities lie in the Grand River watershed these ties are reinforced by having common interests in certain physical services such as sewage disposal, water supply and conservation. It follows that the Area is a logical unit for most local government services, if one is determining boundaries on the basis of factors requiring a large area and/or population, and considerations of communities of interest.

It is also apparent from the description of the Area that there are substantial differences between its various parts. The differences which are relevant are between urban and rural areas, between the various urban municipalities in the two complexes and between the complexes, and between the Waterloo Area and the surrounding municipalities. There are substantial differences between the Kitchener-Waterloo complex, and the Galt-Preston-Hespeler complex, and the use of the term urban complex in describing the Area denotes that each of these municipalities in the complex is in many respects also a community. Similarly there are significant differences between urban and rural, in spite of what some of the submissions stated to the contrary, although the transition from one to the other is not always sharply defined.



Two of the most interesting submissions made dealt directly with this problem of community identity and the importance of its finding expression in local political institutions.

In one instance the representatives of the Village of Wellesley were eloquent in expounding how their previous status as a Police Village had not been satisfactory, that the Village felt that Wellesley Township had not been responsive to their needs. Since they were incorporated in 1962, the Village residents felt they had a more effective say in determining their services, and they listed in the Wellesley Village Brief an impressive series of improvements that had been achieved with the limited resources of a Village of less than 700 inhabitants.

Since our incorporation, we have built a new fire hall, a new community centre — both of which are the envy of many places much larger than Wellesley. We have spent an average of \$8,000 a year on our streets. We have improved our snow removal program so that all streets are clear by 8 a.m. We have done many other things such as erect street signs, pass a zoning bylaw, instigated an official plan and provided an up-to-date map of the village.

Some of these improvements doubtless would have come with the passage of time in any case, but it was obvious that having their own, locally controlled council was more satisfactory to them than the remote Wellesley Township (population 5,000) with offices eight miles away.

A similar story was told by representatives from Baden, a police village of 1,000 population in Wilmot Township (population 6,500). Again views were expressed strongly that the Township Council was not responsive to the needs of Baden, that no Baden representative had been elected to the Township Council for several years, and that there was a breakdown in communications with the Township in such matters as expenditures out of village funds and progress in negotiating sewage disposal and water supply, even though the Township offices were in Baden.

Similar views were expressed by the rural representatives in connection with possible forms of association with the urban centres, and particularly Kitchener. As the then Warden, Mr. Ziegler, expressed it, speaking for Woolwich Township, they would prefer not to be joined to the Cities (in a two-tier system), but if they had to be, then they would prefer to be associated with Kitchener because that was the centre for the Area. The farming element, however, expressed quite strong-

ly that it thought that the Cities would not understand the problems of the rural areas and that the rural voice would be lost in the big battalions of City voters, particularly because the rural voters are not only few in numbers, but also are remote geographically, and have a way of life which differs in important respects.

In summary, the evidence by itself as to what constitutes communities of interest can be used either for revolutionary changes or for essentially maintaining the existing situation with limited changes. To resolve the problems of what the municipalities of the Area shall be and their boundaries, it is necessary to ask what are the particular matters in which there is a common interest, and whether there are other considerations which are relevant.

### *Conclusions*

From the above description of the issues to be confronted in the emerging pattern of development it is evident that any proposals for changes in the governmental arrangements in the Area must meet two tests.

1. Is the capacity for decision-making strong enough to establish and implement the necessary policies?
2. Is it flexible enough to adapt to future changes in circumstances, both those at present emerging and those which we cannot foresee?

Table 3-1

**ACREAGE AND POPULATION, WATERLOO AREA**  
1966, 1968, 1969

	Assessed Pop. 1966	Assessed Pop. 1968	Assessed Pop. 1969	Acreage 1969
<b>Cities</b>				
Galt	32,708	34,996	36,900	8,353
Kitchener	91,376	99,021	105,661	16,346
Waterloo	29,770	32,527	33,644	7,301
Sub Total: Cities	153,854	166,544	176,205	32,000
<b>Towns</b>				
Elmira	4,052	4,333	4,462	869
Hespeler	5,328	5,942	6,082	1,263
New Hamburg	2,430	2,533	2,816	1,166
Preston	13,446	14,644	15,185	4,222
Sub Total: Towns	25,256	27,472	28,545	7,520
<b>Villages</b>				
Ayr	1,134	1,178	1,224	557
Bridgeport	2,030	2,236	2,228	436
Wellesley	661	793	810	496
Sub Total: Villages	3,825	4,207	4,262	1,489
<b>Townships</b>				
North Dumfries	3,705	3,840	3,912	42,265
Waterloo	9,590	8,545	8,544	59,368
Wellesley	4,908	5,009	5,157	66,533
Wilmot	6,179	6,662	6,858	61,291
Woolwich	5,961	6,020	6,142	53,532
Sub Total: Townships	30,343	30,076	30,613	282,989
Total: County	59,424	61,755	63,420	291,998
Total: Cities	153,854	166,544	176,205	32,000
Total: Study Area	213,278	228,299	239,625	323,998

Source: Ontario Department of Municipal Affairs and the Municipalities.

Table 3-2

## POPULATION, WATERLOO AREA, 1881 TO 1966

	1881	1901	1911	1921	1931	1941	1951	1956	1961	1966	Change 1966/1961 %
<b>Cities</b>											
Galt	5,187	7,866	10,299	13,216	14,006	15,346	19,207	23,738	27,830	33,491	20.3
Kitchener	4,054	4,747	15,196	21,763	30,793	35,657	44,867	59,562	74,485	93,255	25.2
Waterloo	2,066	3,537	4,359	5,883	8,095	9,025	11,991	16,373	21,366	29,889	39.9
Sub Total: Cities	11,307	16,150	29,854	40,862	52,894	60,028	76,065	99,673	123,681	156,635	26.6
<b>Towns</b>											
Elmira	1,240	1,060	1,782	2,016	2,170	2,012	2,589	2,916	3,337	4,047	21.3
Hespeler	698	2,457	2,368	2,777	2,572	3,058	3,862	3,876	4,519	5,381	19.1
New Hamburg	1,240	1,208	1,484	1,351	1,436	1,402	1,738	1,939	2,181	2,438	11.8
Preston	1,419	2,308	3,883	5,423	6,280	6,704	7,619	9,387	11,577	13,380	15.6
Sub Total: Towns	4,597	7,033	9,517	11,567	12,458	13,176	15,808	18,118	21,614	25,246	16.8
<b>Villages</b>											
Ayr	—	827	823	777	804	761	931	939	1,016	1,134	11.6
Bridgeport	—	—	—	—	—	—	1,137	1,402	1,672	2,111	26.3
Wellesley	—	—	—	—	—	—	—	—	—	659	—
Sub Total: Villages	—	827	823	777	804	761	2,068	2,341	2,688	3,904	45.2
<b>Townships</b>											
North Dumfries	3,848	2,164	2,095	2,146	2,479	2,996	4,178	3,228	3,399	3,696	8.7
Waterloo	7,544	7,107	6,941	7,380	8,205	9,247	13,682	10,217	9,000	9,938	10.4
Wellesley	5,752	5,051	4,757	4,466	4,463	4,236	4,679	4,989	5,166	4,889*	—5.4
Wilmet	5,358	4,944	4,569	4,263	4,439	4,215	4,835	5,230	5,714	6,397	12.0
Woolwich	5,524	4,318	4,051	3,805	3,930	4,061	4,778	4,978	5,492	6,023	10.0
Sub Total: Townships	28,026	23,584	22,413	22,060	23,516	24,755	32,152	28,642	28,771	30,943	7.5
Sub Total:											
Towns, Villages, Townships (County)	32,623	31,444	32,753	34,404	36,778	38,692	50,028	49,101	53,073	60,093	13.2
Total: Study Area	43,930	47,594	62,607	75,266	89,672	88,720	126,093	148,774	176,754	216,728	22.6

\*Wellesley Village was part of Wellesley Township in 1961.

Source: Dominion Bureau of Statistics.



Table 3-3

## USE OF LAND, WATERLOO AREA, CENSUS YEARS

	1951	1961	1966
Total Area of all Farms	291,789	276,636	267,460
Improved land	237,154	229,112	225,536
Under crops	184,608	173,604	180,232
Improved pasture	40,861	44,544	35,386
Summer fallow	4,564	2,977	2,411
Other improved	7,121	7,987	7,507
Unimproved land	54,635	47,524	41,924
Woodland	30,275	27,576	24,748
Other unimproved	24,360	19,948	17,176
Total Other Land (including Urban)	38,451	53,604	,62,780
Total Land Area	330,240	330,240	330,240

Source: Dominion Bureau of Statistics.

Table 3-4

## SUMMARY OF ANNEXATIONS, WATERLOO AREA, TO 1970

Annexed To	Annexed From	Effective Date	Acreage	Population
Galt—City	North Dumfries	1944	32	N.A.
"	"	1948	70	N.A.
"	"	1950	N.A.	N.A.
"	"	1951	1,227	480
"	"	1952	786	1,164
"	"	1953	42	147
"	"	1956	331	33
"	"	1957	762	N.A.
"	"	1960	1,636	226
"	Waterloo Township	1960	2,900	327
"	North Dumfries	1961	7	N.A.
"	"	1964	39	N.A.
"	"	1966	3	N.A.
"	"	1967	1	N.A.
"	"	1968	100	0
"	"	1969	2	0
Kitchener—City	Waterloo Township	1903	N.A.	N.A.
"	"	1924	N.A.	N.A.
"	"	1924	N.A.	N.A.
"	"	1930	N.A.	N.A.
"	"	1933	17	0
"	Waterloo Township			
"	Waterloo City	1952	3,541	4,563
"	Waterloo Township			
"	"	1953	6	0
"	Waterloo City	1954	44	0
"	Waterloo Township	1955	25	0
"	"	1956	575	15
"	"	1958	3,770	1,375
"	"	1962	41	0
"	"	1964	705	39
"	Waterloo City	1964	1	0
"	Waterloo Township	1966	47	32
"	"	1967	1,964	432
"	"	1968	1,942	630
Waterloo—City	Waterloo Township	1903-1915	69	N.A.
"	"	1948	16	0
"	"	1950	91	N.A.
"	Kitchener	1953	4	0
"	"	1954	5	0
"	Waterloo Township	1956	27	0
"	"	1958	530	125
"	"	1960	1,751	436
"	"	1965	1,596	498
"	"	1967	445	52
Elmira—Town	Woolwich Township	1954	106	6
"	"	1955	28	34
"	"	1959	14	2
"	"	1962	178	84
"	"	1967	287	N.A.
Hespeler—Town	Waterloo Township	1947	60	0
"	"	1954	1	0
"	"	1956	780	150-200
"	"	1959	10	0
"	"	1968	205	N.A.
"	"	1968	282	62
New Hamburg—Town	Wilmot Township	1955	296	12
Preston—Town	Waterloo Township	1952	786	507
"	Waterloo Township and Galt	1958	985	278
"	Waterloo Township	1969	1,186	305
Ayr—Village	North Dumfries	1967	39	0
"	"	1970	5	0
Bridgeport—Village	Waterloo Township	1958	30	46
"	Kitchener	1965	1	0
Wellesley—Village	Wellesley Township	1967	107	55
North Dumfries—Township	Waterloo Township	1969	344	5
Waterloo Township	Preston	1958	29	0

Source: Department Files—Ontario Department of Municipal Affairs Library and the municipalities.

Table 3-5

PROJECTED POPULATIONS, WATERLOO - SOUTH WELLINGTON  
ECONOMIC BASE STUDY

	1966	1971	1981	1991
Waterloo City, part Waterloo Twp.	33,404	43,700	62,000	83,600
Kitchener City, part Waterloo Twp.	92,992	115,600	168,300	334,000
Galt-Preston, part North Dumfries	48,355	60,700	86,800	120,500
Hespeler enlarged	7,910	8,700	10,200	12,600
Wilmot - NewHamburg	9,321	10,100	12,200	14,600
North Dumfries	5,153	5,400	5,800	6,500
Wellesley, part Woolwich, Elmira	13,996	15,700	18,000	22,500
East part, Waterloo, Woolwich Twps.	6,346	7,000	8,300	10,300
Total: Waterloo Area	217,477	266,900	371,600	604,600
Guelph Area	54,478	69,800	100,800	141,200



Table 3-6  
WHERE THE PEOPLE OF THE WATERLOO AREA LIVE AND WORK,  
BY MUNICIPALITY, 1967, 1968, 1969  
PLACE OF RESIDENCE — THE CITIES

Place of Work	1967	Galt 1968	1969	Kitchener* 1968	1969	Waterloo** 1969
<b>Cities</b>						
Galt.....	10,315	10,564	10,724			36
Kitchener.....	512	639	785	267	329	4,108
Waterloo.....	52	76	118	31,730 4,064	34,671 4,526	5,582
<b>Towns</b>						
Elmira.....	3	3	2	72	82	74
Hespeler.....	426	485	566	87	104	24
New Hamburg.....	2	4	3	28	36	4
Preston.....	1,050	1,068	1,243	302	342	35
<b>Villages</b>						
Ayr.....	24	18	23	5	3	—
Bridgeport.....	—	4	7	74	102	33
Wellesley.....	—	—	—	2	2	—
<b>Townships</b>						
North Dumfries.....	62	57	58	1	2	1
Waterloo.....	21	21	18	157	182	51
Wellesley.....	—	1	1	8	6	7
Wilmot.....	—	—	2	68	91	16
Woolwich.....	—	—	1	9	2	20
<b>Outside County</b>						
Brantford (City).....	68	68	89	23	23	2
Brant (Co.).....	11	13	18	4	5	—
Dufferin (Co.).....	1	—	2	2	2	—
Halton (Co.).....	19	23	—	14	14	2
London (City).....	5	—	—	14	9	10
Oxford (Co.).....	12	14	19	23	18	1
Peel (Co.).....	7	11	7	13	13	—
Stratford (City).....	5	—	2	28	25	7
Perth (Co.).....	1	—	2	9	8	2
Guelph (City).....	133	170	146	322	346	80
Wellington (Co.).....	30	18	14	14	18	3
Hamilton (City).....	56	66	69	43	44	7
Wentworth (Co.).....	17	23	21	3	3	2
Metro Toronto.....	1	—	89	140	142	33
Unclassified.....	—	—	5	49	62	7
<b>Total</b>	12,833	13,425	14,034	37,575	41,212	10,147

Source: Assessment Departments, County of Waterloo, Cities of Galt, Kitchener and Waterloo.

\* These figures first available in 1968.

\*\* These figures first available in 1969.

Table 3-6a

WHERE THE PEOPLE OF THE WATERLOO AREA LIVE AND WORK,  
BY MUNICIPALITY, 1967, 1968, 1969

## PLACE OF RESIDENCE — THE TOWNS

Place of Work	Elmira		Hespeler		New Hamburg		Preston	
	1967	1968	1967	1968	1967	1968	1967	1968
<b>Cities</b>								
Galt.....	3	2	388	431	2	1	1,076	1,211
Kitchener.....	144	167	86	132	178	209	485	623
Waterloo.....	78	86	12	18	27	33	68	94
<b>Towns</b>								
Elmira.....	974	988	—	1	5	1	2	2
Hespeler.....	—	—	1,022	1,142	—	—	194	231
New Hamburg.....	—	3	1	1	488	490	6	8
Preston.....	1	—	188	213	1	1	2,297	2,527
<b>Villages</b>								
Ayr.....	—	—	—	—	—	—	3	7
Bridgeport.....	6	5	1	—	2	—	1	1
Wellesley.....	—	—	—	—	2	4	—	—
<b>Townships</b>								
North Dumfries.....	—	—	—	1	1	—	4	6
Waterloo.....	3	6	6	8	2	1	71	60
Wellesley.....	10	9	—	—	5	4	—	—
Wilmot.....	—	2	—	—	28	51	—	—
Woolwich.....	44	47	—	—	—	—	—	1
<b>Outside County</b>								
Brantford (City).....	—	—	5	2	—	1	19	20
Brant (Co.).....	—	—	—	—	—	—	3	3
Dufferin (Co.).....	—	—	—	—	—	—	—	—
Halton (Co.).....	—	—	5	6	—	—	4	7
London (City).....	—	—	—	—	1	—	2	—
Oxford (Co.).....	—	—	3	4	7	5	4	8
Peel (Co.).....	—	—	5	5	1	—	1	5
Stratford (City).....	—	—	—	—	35	—	—	—
Perth (Co.).....	5	—	—	—	—	—	—	—
Guelph (City).....	14	14	43	58	—	1	39	44
Wellington (Co.).....	2	5	2	2	—	—	2	3
Hamilton (City).....	3	6	6	8	1	1	11	13
Wentworth (Co.).....	2	1	1	4	—	—	3	4
Metro Toronto.....	—	1	—	12	3	2	—	15
Unclassified.....	9	15	21	23	3	39	30	24
<b>Total</b>	1,298	1,355	1,795	2,071	791	844	4,325	4,917
							980	5,208

Source: Assessment Departments, County of Waterloo, Cities of Galt, Kitchener and Waterloo.

Table 3-6b

WHERE THE PEOPLE OF THE WATERLOO AREA LIVE AND WORK,  
BY MUNICIPALITY, 1967, 1968, 1969

PLACE OF RESIDENCE — THE VILLAGES

Place of Work	Ayr			Bridgeport			Wellesley Village		
	1967	1968	1969	1967	1968	1969	1967	1968	1969
<b>Cities</b>									
Galt.....	55	66	68	4	4	4	—	—	—
Kitchener.....	48	52	67	403	427	447	49	56	57
Waterloo.....	2	5	10	96	124	150	33	34	28
<b>Towns</b>									
Elmira.....	—	—	—	—	1	1	—	—	—
Hespeler.....	2	1	3	1	1	1	—	—	—
New Hamburg.....	—	1	—	—	3	1	4	4	5
Preston.....	18	16	19	5	7	7	—	—	—
<b>Villages</b>									
Ayr.....	145	163	172	—	—	—	—	—	—
Bridgeport.....	—	2	2	75	82	86	1	—	—
Wellesley.....	—	—	—	—	—	—	109	113	108
<b>Townships</b>									
North Dumfries.....	4	1	3	—	—	—	—	—	—
Waterloo.....	—	—	1	5	5	6	—	—	—
Wellesley.....	—	—	—	—	—	—	—	5	6
Wilmet.....	3	2	2	—	—	—	4	5	5
Woolwich.....	—	—	—	2	1	1	5	—	—
<b>Outside County</b>									
Brantford (City).....	6	5	5	—	—	—	—	—	—
Brant (Co.).....	9	8	10	—	—	—	—	—	—
Dufferin (Co.).....	—	—	—	—	—	—	—	—	—
Halton (Co.).....	—	—	—	1	1	1	—	—	—
London (City).....	2	—	2	1	1	1	—	—	—
Oxford (Co.).....	2	1	6	1	1	1	1	1	1
Peel (Co.).....	—	—	—	1	—	—	—	—	—
Stratford (City).....	2	—	3	—	—	—	5	—	5
Perth (Co.).....	—	—	—	—	—	—	—	—	—
Guelph (City).....	3	1	2	7	8	9	—	—	—
Wellington (Co.).....	—	—	—	—	—	1	—	—	—
Hamilton (City).....	—	2	2	—	—	1	—	—	—
Wentworth (Co.).....	—	—	—	—	—	—	—	—	—
Metro Toronto.....	—	—	2	—	6	6	—	—	—
Unclassified.....	6	7	3	15	6	4	—	8	4
<b>Total</b>	307	333	382	617	677	727	211	226	219

Source: Assessment Departments, County of Waterloo, Cities of Galt, Kitchener and Waterloo.



Table 3-6c

WHERE THE PEOPLE OF THE WATERLOO AREA LIVE AND WORK,  
BY MUNICIPALITY, 1967, 1968, 1969  
PLACE OF RESIDENCE — THE TOWNSHIPS

Place of Work	North Dumfries		Waterloo Twp.		Wellesley Twp.		Wilmot Twp.		Woolwich Twp.	
	1967	1968	1967	1968	1967	1968	1967	1968	1967	1968
<b>Cities</b>										
Galt.....	597	612	624	118	104	86	1	2	1	7
Kitchener.....	73	95	105	1,098	1,165	1,150	173	227	236	763
Waterloo.....	11	13	17	228	271	300	108	150	174	202
<b>Towns</b>										
Elmira.....	—	—	1	6	6	5	29	25	32	3
Hespeler.....	19	20	27	85	83	85	1	—	2	2
New Hamburg.....	3	3	1	5	4	4	1	3	4	64
Preston.....	76	74	85	117	127	106	3	—	3	18
<b>Villages</b>										
Ayr.....	20	19	18	1	1	1	1	—	—	2
Bridgeport.....	1	1	1	11	10	11	44	4	7	5
Wellesley.....	—	—	—	—	—	—	18	16	11	3
<b>Townships</b>										
North Dumfries.....	282	281	264	—	692	668	—	—	—	—
Waterloo.....	2	3	2	686	1	—	2	1	2	10
Wellesley.....	—	—	—	1	3	—	849	869	877	5
Wilmot.....	6	6	7	3	3	1	5	7	5	849
Woolwich.....	—	—	—	9	6	3	5	6	12	2
<b>Outside County</b>										
Brantford (City).....	7	6	9	1	1	2	1	1	—	1
Brant (Co.).....	7	8	11	1	1	1	—	—	—	2
Dufferin (Co.).....	—	—	—	1	—	—	—	—	—	—
Halton (Co.).....	3	2	2	3	2	2	—	—	—	—
London (City).....	1	—	—	2	—	2	—	—	—	—
Oxford (Co.).....	2	4	5	2	2	2	2	2	2	15
Peel (Co.).....	1	—	1	—	—	—	1	1	—	—
Stratford (City).....	1	—	2	3	—	4	4	—	6	—
Perth (Co.).....	3	—	—	—	—	—	2	—	—	—
Guelph (City).....	15	14	11	50	49	54	1	3	4	—
Wellington (Co.).....	1	1	2	1	49	5	—	2	2	5
Hamilton (City).....	3	5	6	5	6	5	—	—	—	—
Wentworth (Co.).....	3	5	6	—	—	—	—	—	—	—
Metro Toronto.....	—	4	6	—	5	3	—	2	1	—
Unclassified.....	6	5	5	38	34	24	8	8	5	8
<b>Total</b>	1,143	1,180	1,216	2,475	2,576	2,526	1,219	1,329	1,387	1,978
							1,630	1,840	1,431	1,653
										1,712

Source: Assessment Departments, County of Waterloo, Cities of Galt, Kitchener and Waterloo.

Table 3-7

PERCENTAGE OF WORKING  
POPULATION LIVING IN ONE  
MUNICIPALITY AND WORKING IN  
ANOTHER, WATERLOO AREA, 1969

	Residence and Job Same Municipality	Go Elsewhere to work
	%	%
Galt	76.4	23.6
Kitchener	84.1	15.9
Waterloo	55.0	45.0
Elmira	71.0	29.0
Hespeler	53.0	47.0
New Hamburg	53.2	46.8
Preston	50.7	49.3
Ayr	45.0	55.0
Bridgeport	11.8	88.2
Wellesley	49.3	50.7
North Dumfries	21.7	78.3
Waterloo	26.4	73.6
Wellesley	63.2	36.8
Wilmot	42.9	57.1
Woolwich	54.1	45.9

Source: Assessment Departments of the County and three Cities of the Area.

Table 3-8

DAILY NEWSPAPER CIRCULATION BY MUNICIPALITY  
IN THE WATERLOO AREA, 1967 AND 1969

Municipality	Kitchener-Waterloo Record				Galt Evening Reporter			
	1967		1969		1967		1969	
	No.	%	No.	%	No.	%	No.	%
Kitchener-Waterloo	34,652	80.6	37,475	80.0	38	0.3	50	0.4
Galt	542	1.3	882	1.9	8,440	65.3	8,524	63.0
Preston	1,435	3.3	1,677	3.5	2,672	20.8	2,770	20.4
Hespeler	366	0.9	447	0.9	1,297	10.0	1,322	9.8
Remainder in Waterloo County	5,989	13.9	6,425	13.7	469	3.6	873	6.4
Total: Waterloo County	42,984	100.0	46,906	100.0	12,916	100.00	13,539	100.0

Source: Kitchener-Waterloo Record, Galt Evening Reporter.

Table 3-9

PLACE OF WORK — PLACE OF RESIDENCE  
FOR SELECTED MUNICIPALITIES IN WELLINGTON COUNTY,  
1968 & 1969

Place of Work	Place of Residence												Total		
	Town of Fergus		Village of Elora		Guelph Township		Nichol Township		Pilkington Township		Puslinch Township			Other	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969		1968	1969
Guelph City	239	251	94	103	477	442	144	147	101	105	386	369	704	648	2,065
Fergus	1,246	1,157	112	118	4	6	153	142	18	8	4	4	243	234	1,669
Elora	27	24	245	214	4	2	38	44	14	18	—	—	6	11	313
Guelph Township	2	1	1	—	322	214	—	—	—	2	3	3	4	2	332
Nichol Township	24	20	14	11	1	1	243	201	6	4	1	—	3	3	222
Pilkington	—	1	6	6	—	—	6	11	238	208	—	—	2	6	292
Puslinch	—	—	—	—	8	2	—	—	—	—	431	363	3	3	243
Galt	1	4	2	2	3	3	2	2	2	2	79	72	4	7	92
Kitchener	12	16	17	15	15	12	17	18	18	20	31	33	77	67	181
Waterloo City	9	10	8	6	4	3	10	10	8	6	6	5	31	40	76
Elmira	5	1	15	15	2	2	9	4	11	15	—	1	61	65	103
Hespeler	1	1	1	2	1	2	—	—	—	—	60	52	3	—	57
Preston	2	2	—	—	1	1	—	1	1	1	46	38	4	2	45
Waterloo Township	1	1	—	—	4	2	—	—	4	4	5	3	—	1	11
Woolwich	1	1	—	—	—	—	—	—	2	3	—	—	8	8	12
Halton Co.	3	5	1	1	3	5	—	1	—	—	21	18	379	332	407
Peel Co.	—	—	—	1	—	1	—	—	—	—	7	—	294	274	301
Wentworth Co.	—	3	1	—	2	2	—	1	—	—	28	8	12	7	40
York & Metro Toronto	13	11	6	7	3	3	3	2	2	2	20	27	158	178	230
Other	27	29	6	7	1	—	13	4	4	4	9	10	6,437	5,622	6,497
Total	1,613	1,538	528	508	855	703	638	588	429	402	1,137	1,033	8,433	7,511	13,633
															12,283

Source: Assessment Department, County of Wellington.



TABLE 3-10

SUMMARY STATISTICS: SURVEY OF  
THE NORTH-WEST PORTION,  
BEVERLY TOWNSHIP, 1970

No. of householders contacted.....	386	BANK	
Approximate no. of householders not contacted....	15	Galt and Area .....	343
No. of residents (including children) .....	1,535	Hamilton Area .....	17
		Others .....	26
WORKING FORCE .....	417	PUBLIC SCHOOL EDUCATION	
Galt and Area .....	232	Sheffield .....	350
Hamilton Area .....	38	SEPARATE SCHOOL EDUCATION	
Farmers .....	81	Galt .....	36
Self employed .....	15	SECONDARY EDUCATION	
Others .....	20	Galt .....	385
Retired .....	31	Dundas .....	1
TELEPHONE EXCHANGE		IF AND WHEN A DECISION IS MADE TO CHANGE COUNTY BOUNDARY LINES WHICH COUNTY WOULD YOU PREFER TO BE INCLUDED IN?	
Galt .....	363	Waterloo .....	291 — 75.39%
St. George and Lynden .....	20	Wentworth .....	35 — 9.04%
None .....	3	Undecided .....	59 — 15.29%
DAILY NEWSPAPER		Others .....	1 — .28%
Galt .....	310		
Hamilton .....	46		
Others .....	35		
DOCTOR AND HOSPITAL			
Galt .....	289		
Brantford Area .....	63		
Hamilton .....	13		
Others .....	12		
DENTIST			
Galt .....	330		
Hamilton .....	21		
Others .....	35		

Source: Committee of residents, part of Beverly Township, County of Wentworth.



## PART TWO





## CHAPTER FOUR

### WATER AND SEWAGE

#### Water

There are seven municipalities in the Waterloo Area in which the municipality supplies and distributes water: the three Cities (Galt, Kitchener, Waterloo) and the four Towns (Elmira, Hespeler, New Hamburg and Preston). The Village of Bridgeport is supplied by Kitchener. The residents of the remaining seven municipalities either provide water themselves or receive it through other private arrangements. While the water supply and distribution in seven of the municipalities are described as municipally operated, it is of particular importance to make it clear that in five of these, the administration of the water system is not under the direct control of the elected municipal council but comes under the jurisdiction of a separately-elected commission consisting of from three to five members (one of whom is the head of council *ex officio*). The rest are elected directly to the Commission at the same time as the municipal council.

In Galt, Waterloo, Elmira and Preston, the bodies responsible for water are the respective Public Utilities Commissions. Each of them also distributes electrical power, and in Galt the Public Utilities Commission is also responsible for the local bus system.

In the City of Kitchener, the supply and distribution of water is under an elected Water Commission responsible solely for the supply and distribution of water. The Public Utilities Commission for that City, although not concerned with water, does manage electric power and public transit. Natural gas distribution also comes under the Commission (Kitchener is one of two cities in Ontario with a publicly owned gas system).

In the Towns of Hespeler and New Hamburg, the municipal council retains authority for water matters and treats them as its direct responsibility.

In every case where public or municipal systems operate, the source of water is ground water or wells. The Towns of New Hamburg and Preston add to their supplies with spring water chlorinated prior to use. No other treatment is applied to the water in the municipal systems, with one exception; the City of Waterloo adds fluoride to its water. Some trace of natural

fluoride is found in the water supplies of Galt, Kitchener, Elmira and Preston.

At the time of writing (1969), no municipality was limiting the use of water or had recently been obliged to restrict it. In other words, the quantity of water is adequate at present. Some difficulty with water quality was being experienced by some municipalities, either through natural hardness or through the intrusion of pollutants. A full report of these matters is contained in "Water Resources Survey of the County of Waterloo, 1966", produced by the Ontario Water Resources Commission.

#### The Problem of Supply

Although needs are met at present, the dimensions of the future water supply required by the Area do vary, depending upon whether one is discussing some of the outlying rural areas or the urban parts. Even in the urban parts the need differs between municipalities.

The urban water supply can be described as one of the future's most pressing problems, particularly for Kitchener - Waterloo - Bridgeport. Sources of forthcoming water supplies must be found in the very near future. Reports by and for the Ontario Water Resources Commission, submissions made before the Commission and newspaper coverage of the Waterloo Area water problem all emphasize that the Kitchener-Waterloo-Bridgeport area will shortly require more water from new sources, and deficiencies will occur in the Galt-Preston-Hespeler area within twenty years. For the Towns of Elmira and New Hamburg, the need for new sources will come in twelve years or less. It appears to be agreed by nearly all interested parties that the present ground-water supplies for almost all of the Area will not be adequate to meet the continued rapid population growth that is expected. There is evidence of some difference of opinion respecting the various extra alternative sources that may be available. Opinion suggests, however, and certainly it is the case for Kitchener-Waterloo, that demand will soon outstrip supply so that alternative sources must augment existing ground water sources. For example, in another Ontario Water Resources Commission Report, "Middle Grand River Region, Water Supply Study, November, 1966" it

is, in that report's words, "conservatively estimated" that an additional twenty-two million gallons per day of good quality ground water can be developed in the Mid-Grand Region (which comprises some thirty percent of the Grand River Valley System). It extends in area beyond the Waterloo Area to include the southern parts of Wellington County and the Township of South Dumfries in Brant County. The requirements of Kitchener-Waterloo-Bridgeport alone would exceed these additional ground-water supplies by a considerable amount, since it is estimated in the "Report on Water Supply Study for Mid-Grand River Area" (prepared by J. F. MacLaren Ltd. for the Ontario Water Resources Commission) that in these three municipalities, water demands will increase on the average from the present thirteen million gallons per day to forty-one million gallons per day by 1986. Peak daily demands, it is estimated, will climb from twenty-one million gallons per day to seventy-six million per day in the same period.

Where the additional water should come from is a matter of controversy. Should the Grand River with its anticipated dam program be the source, or should pipelines be built to one or more of the Great Lakes? The latter is favoured by the Ontario Water Resources Commission, but local commissions seem to be wary, arguing that they have never seen the costs involved in the alternatives and cannot measure them.

In a more recent report prepared by Proctor and Redfern, Ltd., at the joint request of Kitchener and the City of Waterloo, it was stated that water can be obtained for the next fifteen years or so at the least overall cost by developing a supply from the Grand River to supplement existing well supplies.

The MacLaren Report suggests that river water can have many important uses, so that to direct it to one major use could seriously damage the total effectiveness of the dam program in providing flood control, low-flow supplementation and water supply. In the meantime, however, the Grand River Conservation Authority has questioned the accuracy and validity of the Ontario Water Resources Commission's findings and recommendations.

Complicating the water supply picture for the Area at large is the fact that the problem is not the same for all areas. In their recommendations on water supply, the Ontario Water Resources Commission's Reports have little to say about the rural areas except to point out that some of the

private systems should be examined for sources of pollution. But rural supplies, generally, are more than adequate for the future. To quote the Water Supply Study, "... sufficient ground water appears to be available for the remaining municipalities for the foreseeable future" (that is, those municipalities other than the ones in the Kitchener-Waterloo and Galt-Preston complexes).

Recently the residents of Wilmot Township, however, have raised objections to the use of their ground water by the City of Kitchener on the grounds that it is seriously depleting water supplies in the Township.

Some of the smaller centres do have a particular problem where there is pollution from deficient septic tanks and inadequate means of dealing with residential and industrial waste. They are as yet too small to afford the cost of providing the kind of water system and sewage treatment that would ensure safe and sanitary conditions. In general, this is the problem facing both the Village of Ayr and the Police Village of Baden — and others, including the Police Village of St. Jacobs. Figures approaching half a million dollars are cited in newspaper reports as the estimated cost of installing a municipal water distribution system and sewage treatment system in Baden. For the Village of Ayr, \$500,000 is estimated as the cost of a water distribution system alone.

In an effort to get at problems of adequate water supply and sewage treatment the Minister of Energy and Resources Management announced on October 16, 1969, that approval had been given to a submission by the Ontario Water Resources Commission that some assistance be granted by the Government of Ontario to small municipalities with high cost projects (because of topography or small population and low assessment) so that sewage and water works may be built for these communities. The aim of the program is to ensure that the cost of a sewage works will not exceed an average home charge of \$120 per year. The Province will assist municipalities when water service cost exceeds a \$100 annual average per home. The Provincial aid may not exceed fifty percent of the total cost of the works. This aid is for existing municipalities and new plants.

To encourage anticipation of future supply and treatment facilities the Provincial Government has also approved a program of financial assistance in which it will contribute to approved works an amount equivalent to fifteen percent of the total capital cost.



## The Problem of Water Management

The Review Commission does not wish to engage in the debate about sources of water, nor would it be appropriate for it to do so. It is important, however, to acknowledge that the debate exists. The question of the adaptability of the existing system of local government to the problems associated with water sources, treatment and distribution, is of course of paramount concern to the Commission.

It is clear that the severity of the problems related to water varies within the Area. Even those municipalities which believed themselves to be without immediate problems in water supply did include this service in their briefs as one of those that should be undertaken by a regional, area-wide or upper-tier government. In its brief, the County of Waterloo had little to say about the supply of water or problems related to it. In rejecting the proposition that the Area should be split into a number of separate cities, the County's brief argued significantly, though briefly, that some major services, including water mains, "are far too important to be relegated to inter-city boards or handled through agreements". The County was not willing to put its faith in co-operation between separate municipal entities that were under no legal obligation to co-operate.

The high cost of supplying and treating water and its essential rôle in determining the pattern, or even the possibility of development, encourages a centralization of responsibility; thus it is important to have some means of ensuring equity among those who participate. The County clearly implied this in its recommendation dealing with trunk water supply when the brief stated that this service should be a "metropolitan council" responsibility, "particularly if and when it must be obtained by pipeline from the Great Lakes".

The City of Kitchener, for its part, expressed some dismay at the fragmented basis upon which the water problem is approached. In Kitchener's "Notes Re Area Problems" submitted to the Review Commission, the supply of water is discussed under the heading, "A Permanent Supply of Water" and states:

This question has received considerable study both by the Commissions responsible for water supply within the three cities and by the Ontario Water Resources Commission. There are a number of alternatives for a future water supply; namely, the expansion of existing well

fields, the proposed West Montrose dam and reservoir, and the proposed pipeline to one of the Great Lakes.

Under our present system of municipal government, no one authority has the entire responsibility either for planning or financing future supplies of water. We must rely either on co-operation or on direction from the Provincial government agency."

The confusion is perhaps continued with the latest report, and it is difficult to see a clear effective policy for water evolving in the present circumstances.

The Province of Ontario has obviously seen and wished to do something about both water and pollution problems. To the Provincial Government the situation warranted being turned over to a provincial commission to take a very direct hand in meeting these problems. The Ontario Water Resources Commission's authority includes: approving water schemes and projects that will involve the use of water; acting as a designer, financier and operator of water systems; engaging in research into water supply and water resources generally; and acting as a bulk supplier of water from the Great Lakes.

When a provincial agency, such as the Ontario Water Resources Commission, supplies a service to one or more municipalities, its activity has a significant impact upon the institutional quality of local government. Presumably the Provincial agency provides a benefit to the municipality or municipalities. In a sense it is itself a kind of regional agency. But it only addresses itself to one problem or a limited range of problems, and does not become involved in the broad range of problems facing a particular area. It is important to ask how deeply the Ontario Water Resources Commission considers the matter of land use. The Engineer for the City of Galt posed the question of whether a different approach to providing separate sewage treatment plants for Galt and Preston might have been taken if the industrial development east of Preston in the expanded area of Galt had been anticipated. In other words, the Ontario Water Resources Commission tends to relate its activity to existing need without considering extensively what impact meeting that need will have on future circumstances in land-use terms. In its favour, the Ontario Water Resources Commission has encouraged joint action.

Under the present make-up of local government in the Area and the approach of the Ontario

Water Resources Commission it is fair to say that both sides are really handicapped when it comes to establishing rational water policies. Can fragmented local government articulate to the Ontario Water Resources Commission the water and sewerage needs of even today's communities let alone the future's? Because it must deal with existing municipal entities the Ontario Water Resources Commission is faced with the prospect of supplying water in the wrong places in terms of economics and land use. In the absence of sound local planning and by the decisions the provincial agency makes, the task of planning the orderly development of a region is, as Professor Mayo put it in the Niagara Region Local Government Review Report, "placed incidentally as it were, upon the Ontario Water Resources Commission".

It would be a serious omission to leave unacknowledged the Minister's (Energy and Resources Management) comment in his October 16 1969, statement in which he recognizes the need for a basis for wider planning decisions — "It is becoming increasingly apparent to me that area programmes will become more essential, particularly guaranteeing water supply for communities inland of the Great Lakes. It is no longer adequate for us to rely on ground water supply alone for rapidly developing Ontario communities. The increased capacity of such area programmes will permit both residential and industrial development to take place with advanced planning by those directly involved . . ."

This is an encouraging view since, ironically, providing the existing municipal structure with adequate water and sewage services could tend to perpetuate that same structure which is demonstrating an inherent inability to cope with the wide spectrum of problems besetting local government.

The urgency with which the water supply problem is tackled depends on how obvious are the inadequacies of the foreseeable supply of water. Where the supply seems ample, there appears to be a reluctance to participate in wider schemes to ensure adequate supply for the Area. The Town of Preston in September 1968, declined to give an immediate answer to Kitchener's and Waterloo's request to co-operate in a joint effort to pipe water from Lake Ontario; the main objection apparently was based upon the contention that the urgency of such action was not clear, since Preston itself was assured of adequate water supply for some years to come.

While there has been some duplication of service, with Galt and Preston watermains running parallel to each other in some instances, signs of growing co-operation are evident in the field of water supply. The Public Utilities Commissions in Galt and in Preston have completed inter-connections of their water mains to what they consider to be their mutual benefit. Co-operation is demonstrated further in the periodic joint meetings being undertaken by the Public Utilities Commissions of Galt, Preston and Hespeler in which they discuss common problems, sponsor joint advertising and investigate procedures for joint purchasing and standardization of specifications. One may now hear the news on a local radio station courtesy of the "Galt, Preston and Hespeler Public Utilities Commission". (This name implies a more formal consolidation than exists. The joint meeting does not mean that there is a joint board making decisions for all three municipalities — each municipality has its own board, and each municipality must agree to any joint undertaking).

Very ambitious plans on a co-operative basis are mooted. A headline in the *Galt Evening Reporter* exclaimed, "Consider Giant Water Reservoir . . . Area Utilities Advance Plans to Share Water, Hydro Services" (24 January 1969). These undertakings, while encouraging, offer no guarantee that such co-operative efforts will succeed. Municipal commissions in the early meetings had differing opinions as to where the common facilities should be located — or indeed if they were appropriate. Others were reported to be reluctant to move without Ontario Water Resources Commission approval. But a proposal to pool personnel from the three municipal commissions under certain circumstances met with general acceptance.

Other co-operative measures are being taken. The Cities of Kitchener and Waterloo, as already noted, have joined to investigate the problems of future water supply. The Waterloo - South Wellington Area Study with which the Waterloo County Area Planning Board is closely associated is attempting to provide, through its Public Works Technical Advisory Committee, a common meeting-ground for the officers of the participating municipalities to discuss matters of mutual interest bearing upon water supply and treatment of waste. There is some reluctance, as commented upon earlier to rely upon co-operative arrangements. The fact that some co-operation exists suggests that the problem is common to many and that a single approach may serve very well.



## Financing Water Facilities

At the present time the financing of capital facilities may be carried out by one of three methods. The Ontario Water Resources Commission may become involved in financing local water treatment and distribution facilities in two important ways. It may provide the initial financing, recovering costs over a maximum period of thirty years at interest rates prevailing at the time of agreement, or it may own the water supply and trunk distribution system outright, recovering the cost of supplying the service through rates determined by usage. The two schemes are essentially the same in that the Commission recovers all costs, but the costs in any one year will differ as between the two schemes. The only two municipalities in the Area currently using Ontario Water Resources Commission financing for water treatment facilities are the Town of Preston, which financed its system, and the City of Galt, which has recently had Ontario Water Resources Commission financing on a reservoir. It is possible that either or both of Ayr and Baden may use one of the alternatives for their proposed municipal water systems.

The third way to finance these water systems is through borrowing by means of municipal debentures or out of current revenue without recourse to Ontario Water Resources Commission participation. It is this latter approach that most municipalities in the Area have employed to finance water supply and distribution, although the story is significantly different in the field of sewage treatment facilities.

### Proposals by Ontario Water Resources Commission for Future Action in Water Supply

The proposals for future water supply made in these various reports prepared by the Ontario Water Resources Commission are set out in the summary report prepared by the Waterloo County Area Planning Board. Some consolidations are implied and clearly stated, but do they go far enough? Can these recommendations, if considered appropriate, be carried out, given the present fragmented decision-making and financial-resource base of the Waterloo Area? At any rate, the needs of the Area as the Ontario Water Resources Commission sees them are as follows:

#### General

1. All of the municipalities should continue to meet their needs until at least 1971, as it

would be impractical to provide an alternate supply before that time.

2. All of the municipalities should provide adequate water storage facilities based on the standard requirements as outlined.
3. A study of the pollution control facilities that will be required in the future in the Grand River Basin should be undertaken.

#### Specific

1. The towns of Elmira, Fergus and New Hamburg and the villages of Ayr, Elora and Wellesley should continue to develop and utilize ground-water supplies for the future.
2. Joint exploration and development programmes of ground-water sources should be undertaken by the cities of Kitchener and Waterloo until an alternate water supply is available. Integration of the water distribution systems would also be desirable. It is assumed that the City of Kitchener will continue to supply the Village of Bridgeport.
3. The City of Galt and the Town of Preston should consider the advantages of uniting their water distribution systems and jointly undertaking ground-water exploration and development programmes to serve their common needs until a surface water supply is available.
4. If all the major Middle Grand River Region municipalities wish to participate in the provision of a surface-water supply at this time, a Lake Ontario-oriented system should be developed. A separate system, utilizing Lake Erie, should be developed for the Lower Grand Valley municipalities.
5. The Lower Grand Valley Regional Water Supply System should be enlarged and extended to serve the Kitchener-Waterloo-Bridgeport complex as soon as possible, and Paris when required, if it should develop that the other municipalities in the region are not in favour of the system outlined in Recommendation No. 4 at this time.
6. Thereafter, a Lake Ontario system should be developed when required to serve Galt, Guelph, Hespeler and Preston and to provide additional water for the Kitchener-Waterloo-Bridgeport complex. It is expected that this second scheme will be required by 1986.<sup>1</sup>

These recommendations represent the opinion of the Ontario Water Resources Commission. In a report by the staff of the Waterloo County

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<sup>1</sup> The Mid-Grand Regional Water Study Staff Report to the Waterloo County Area Planning Board, August 29, 1968.



Area Planning Board the view was taken that the Area was faced with two alternatives, both involving pipelines from one or two of the Great Lakes. The Area Planning Board recommended that the municipalities of the planning area put forward their views on the proposals to both the Area Board and the Ontario Water Resources Commission, "in order that it may properly assess the situation". By the end of 1968 no comment had been returned to the Board, and it was understood that many municipalities had referred the matter to their public utility or water commission for study.

Part of the reluctance to accept the Water Resources Commission schemes probably arises from questions about the quality of the water which would be supplied, Lake Huron being preferred as a source to either Erie or Ontario on these grounds, and a feeling that the needs of the Waterloo Area are being used to justify pipelines, the main immediate benefits of which would accrue to communities closer to Lakes Erie and Ontario.

It may be observed that what is in the mutual interest of two or more municipalities may not always be easily settled upon. This is particularly true in matters of water supply in the Waterloo Area, where the urgency for alternative sources varies very considerably among the municipalities. The different opinions upon which potential course to follow have now been underlined with the publication of the Kitchener-Waterloo Public Utilities Commissions' water study.

The problems of water supply from one or more of the Great Lakes are complicated by the probability of the neighbouring cities of Guelph and Brantford facing similar problems with the consideration that they might all be served by a major pipeline constructed by the Ontario Water Resources Commission.

The question remains whether a comprehensive water-management program can be carried out effectively and be made a useful instrument in area-wide land-use planning. This question is particularly germane when comprehensiveness must be achieved over such obstacles as the fragmented policy-making and administrative base now existing in the Area. The problem is further complicated by the fact that not only are many municipalities involved, but that at the local level jurisdiction in matters related to water is primarily a responsibility of water or utility commissions in most of the municipalities, with the municipal

council having a vital interest but only a limited direct voice.

It is difficult to escape the fact that water management and water facilities are critical factors in determining the future pattern of physical development. It is important that water facilities be a determinant of land use — they can be a key factor in the direction and control of development. It is not, for example, a desirable consequence under the existing circumstances to have a city supplying water to another municipality for development over which the supplying city has little or no control.

A recurring problem where one municipality supplies water to another is what costs should be charged, and whether the supplying or withholding of water should be used as a means of controlling development in the adjoining area. In the absence of clearly stated policies on the general pattern of development in the Area, the temptation and even necessity to use water as a control is great.

A major question is whether the Ontario Water Resources Commission should decide where water will or will not go. Important decisions to be made in the near future regarding water facilities will have an impact upon finance and the quality and direction of development. The City of Kitchener could be involved in expenditures reaching \$1,000,000 a year into the early 1970's for expanded water facilities; Galt will spend nearly a million dollars in response to development; and the City of Waterloo will spend about \$2½ million to expand and improve its water supply over the next few years. Other centres in the Area will also be making similar decisions involving lesser amounts but with similar impact upon the character of the community.

Water is a resource that has great bearing on where and how much and what kind of development will take place. Decisions about water are integral to many aspects of community life, and the question of efficacy of a single agency, in this case Ontario Water Resources Commission, in making such decisions cannot be evaded.

The County Area Planning Board is developing a policy for urban expansion which clearly implies that the rational provision of water and sewage facilities will be a major limiting factor in development (see "New Look for Rural Housing" — Newsletter, W.C.A.P.B., Oct. 1968). This kind of control, of course, also implies something else — public authority with real strength and impact.

## Sewage

Not all municipalities have municipal sewage systems. Again, as is the case for water, the three Cities and four Towns have municipal systems, while the residents of the other municipalities rely upon their own resources and individual facilities to deal with sewage. In New Hamburg and Bridgeport, there are parts of the municipality that are not sewered. In Bridgeport that part is very large — about eighty-five percent, while in New Hamburg only about fifteen percent of the municipality does not have a sewage collector system.

Unlike water administration where a local commission usually has responsibility for the provision of water, responsibility for the sewage facility is usually divided between the municipal engineering department, which looks after construction and maintenance of sewers, and the Ontario Water Resources Commission, which builds and operates the sewage treatment plants. (Since the establishment of the Commission it has gradually assumed operation of all existing plants in the Area as well as the new one constructed by it — this pattern is not universal throughout the Province). Generally the same financial assistance is available through the Ontario Water Resources Commission for sewage facilities. The municipalities of the Area have entered into agreements with the Ontario Water Resources Commission for sewage treatment facilities to a much greater extent than they have for water facilities. This is substantially due, no doubt, to the fact that municipal water sources to date in the Area need little or no treatment to be safe for human consumption, and that the water supply is self-financing out of user charges rather than taxation. The Ontario Water Resources Commission 1966 report, "Water Resources Survey" for Waterloo County, in summarizing a comment on the control of water pollution, stated:

The Ontario Water Resources Commission has co-operated with many of the municipalities in the county in the construction of water pollution control facilities and presently operates plants in the cities of Galt, Kitchener and Waterloo, the towns of Elmira, Preston and New Hamburg. All of these systems provide satisfactory treatment with the exception of the Waterloo Plant; however, plans are being developed to eliminate the inadequacies of this plant. The Town of Hespeler provides only primary treatment for its wastes, and industrial

and domestic pollution have resulted in the Speed River at Hespeler.

The residents of the villages of Ayr and Wellesley and the police villages of Baden, Conestogo, Linwood, St. Clements and St. Jacobs all rely on individual waste-disposal systems. Problems are encountered with the operation of some of the systems of St. Jacobs and Baden, and pollution of local water courses results.

Although the control of pollution by industrial waste discharges is well developed, there remain a few cases where partially treated or untreated wastes are discharged directly to natural water courses, and pollution has resulted. The majority of industrial waste disposal problems may be overcome by discharge to a municipal treatment works. Some, however, will require individual treatment facilities.

While the general tone of this summary may sound encouraging, the overall picture is not one which inspires peace of mind.

### The Sewage Problems

The Data Book and the Ontario Water Resources Commission report "Water Resources Survey" include, particularly in the latter, more detail on the conditions relating to sewer systems. The need to improve sewage conditions in the area are catalogued in these two publications.

The Ontario Water Resources Commission report, in its general recommendations concerning Waterloo County, suggests the following:

1. Water conservation programs by municipalities and individuals should be encouraged to alleviate low-stream flow problems.
2. Pollution abatement programs for municipal and industrial wastes should be continued.
3. The municipalities should control the discharge of industrial wastes to sanitary sewers by the enactment and enforcement of municipal sewer by-laws.
4. Subdivisions should be developed only on the basis of public water pollution control systems.

All of these recommendations imply political decisions embracing large financial outlays, imposition of control standards and planning considerations. It would appear from the fact that these recommendations have been made that the present local government system is not meeting the problems in control of water pollution.



There is clear and growing evidence that the problems are not getting any smaller. It is not unusual to find headlines in the local newspapers proclaiming "Grand River Will Become Giant Sewer" or "Alarms Sounded on Grand Sewer". These and other similar headlines have been prompted by the warnings of conservationists and other experts on water resources and pollution control, and have been particularly evident during the course of the Review. While a difference of opinion exists as to what to do about the problem, there seems to be little disagreement that the quality of the Grand River, for one, is very poor. While substantial additions to the sewage treatment facilities have been made, it is a moot point whether they have kept pace with the growth of the Area.

At the hearings, the Chairman of the Grand River Conservation Authority put the problem of effluent very bluntly: "... we are introducing a tremendous amount of sewage effluent in a very small area from Waterloo Sewage Treatment Plant and Kitchener Sewage Treatment Plant, Preston and Guelph and Galt. There is an awful lot going into a very short stretch of River ... given reasonable conditions the River will regenerate itself in about five or six miles (but) it no sooner gets a start than you give her another slug ... one after the other." The Chairman of the Conservation Authority went on to suggest that this section of the River is where most people live and where people should have access to it rather than having to drive some distance to use it. Access is, however, severely discouraged by its foul condition.

The various reports by the Ontario Water Resources Commission predict heavy expenditures in achieving acceptable levels of water quality. The MacLaren Report stated, "Our investigation has shown with a high degree of probability that the B.O.D. (biochemical oxygen demand) of the water in the Grand River at Kitchener will not meet the Ontario Water Resources Commission standards, whether Lake Erie or the West Montrose reservoir acts as the source of water supply. Also, the curves of B.O.D. concentrations derived ... are indicative of better than actual conditions of pollution in the river, and it is known from existing records of stream quality that the present state of the river is worse than we have been able to show".

As noted, the information contained in the Data Book and gathered from the Ontario Water Resources Commission reports indicates that

many municipalities within the Waterloo Area are dumping effluents of an unsatisfactory quality into the rivers and streams of the Area. Some municipalities are taking steps to improve these circumstances. Others, such as the Town of Hespeler, have encountered difficulty, and the already protracted negotiations with the Ontario Water Resources Commission have made slow progress to date.

Prior to 1966 the Town of Hespeler was aware that its existing sewage treatment facility was quite inadequate but did not have the financial resources for a suitable sewage treatment plant. When the new approach to sewerage financing was announced by the Ontario Water Resources Commission in 1966, the Town immediately entered negotiations to have it build a plant in Hespeler. Confusion arose in 1968 over design of the plant in terms of its capacity and rates to be charged, when certain industrial users expressed a reluctance to support a sewage facility for the entire Town.

The Town now has an assurance from Ontario Water Resources Commission that the construction of a plant will be undertaken as soon as the Town signs an agreement (which is now before the Town) on size of plant and rate to be charged, and a further assurance that all industrial plants (with one exception — one large industry has begun its own treatment facility) will be compelled to make their sewage treatment arrangements through the Ontario Water Resources Commission plant for the Town. It is not expected, however, that this plant can be in operation before 1971.

In the meantime the growth of the Town has been limited, subdivision development has been severely curtailed since 1966 by the Department of Municipal Affairs and it has been indicated that none will be approved except in conjunction with the building of a new treatment plant. It is estimated that potential residential expansion could double the Town's population in five years to 10,000.

The cost per person of small sewerage installations is high; to provide a piped water supply and install sewers for the whole community at one time rather than building over a period of years means a cost per person that is enormous. In some places, such as Baden and Ayr, costs run, apparently, considerably beyond the resources of the community and its residents. In Ayr the cost of piped water supply alone would be about \$450.00 *per capita*, while in Baden the cost of



adequate water and sewer facilities would be about \$525.00 *per capita*. This may have been considered by both communities in their apparent decision to abandon the ideal of remaining a quiet rural community and instead seeking to expand the community to provide a broader financial base. It is circumstances such as these, obviously, that led the O.W.R.C. to propose more provincial assistance.

If and when the ambitious developmental plans for Preston (Peel Village) and Waterloo Township (Ontario Housing Corporation land bank) begin, such things as adequate sewage treatment plants will be required. The economics of separate or joint arrangements should be examined. This would include considering the appropriateness of the development when viewed in terms of efficient sewage systems. At the hearings, as noted earlier, the possibility of a single sewage treatment plant for Galt and Preston was alluded to, with the implication that boundaries as we currently know them may not be the most suitable for delineating water and sewer areas.

Greater costs are on the horizon if a comprehensive attack on the water and pollution problem is to be undertaken. The dam program of the Grand River Conservation Authority to provide the kind of flood control and the stream flow necessary to dilute the increasing amounts of effluent will cost an estimated \$30,000,000. The pipelines that the Ontario Water Resources Commission believes are necessary to bring water from one or other of the Great Lakes would cost \$70,000,000. Further pipelines may be needed to take effluent out of the Area to outlets other than the Grand River in the vicinity of Kitchener and Galt.

In the overall picture this latter strategy would be self-defeating. It would simply mean removing the problem from one area and taking it to another. While it is true that many things contribute to polluted water, it seems only logical that each area must take its own part in controlling pollutants, and to say that someone else or some other area "did it" is not good enough. Everyone is involved.

Taken together these various control programs represent staggering expenditures. In the case of the dam program, provincial grants have recently been increased (prompting the Conservation Authority to initiate work on its dam program), but difficulty is still being encountered in receiving federal assistance. This is not the place to offer an opinion as to whether the dams

versus pipeline is an "either/or" consideration or whether both are necessary. The important thing is that a serious problem in water resource management is upon the Waterloo Area. Evidence is plain that the existing arrangements need to be improved upon substantially to resolve the problem at hand satisfactorily.

During the discussions at the public hearings of the Review, it was apparent that the Conservation Authority, for one, has a very great interest in the quality of water in its River system. It has little real direct control over the quality of effluent since the municipal corporations and the Ontario Water Resources Commission are primarily responsible. However, the Conservation Authority, through its dam program, could play an important part in good water management. Yet the dam program has been held up, apparently on the grounds that the federal government's financial priorities will not stretch that far — nor, latterly, will municipal resources.

A rather haphazard approach to policy decisions and financial priority-setting is reflected here and in the problems concerning the Hespeler sewage treatment plant. This approach is unsuitable for such critical matters of water management. Part of the problem involves the fact that outside consultants are used to measure the needs of the Area. This has led to a confusion of studies and interpretations, and to disagreements regarding statistics. The ability to apply local knowledge and continuing awareness to local conditions would be one of the advantages to be sought in a more comprehensive approach to water resources and pollution control.

Sewers, sewage disposal and water supply and distribution have been regarded as primary responsibilities of municipalities for a long time. The advent of the Ontario Water Resources Commission raises operational problems quite apart from these related to land use and the financial problems dealt with above. Where the Water Resources Commission constructs facilities it also operates them, the cost being charged to the municipality on either an annual amortized or use base, so that all operating and capital costs are recovered from the municipality in one way or another.

These operational activities take the Ontario Water Resources Commission into areas which are normally the responsibility of the municipal public works or water departments, or of a water or public utilities commission. Jurisdiction is normally divided, with the Commission responsible for bulk supply and treatment and large

mains in the case of water and of sewage treatment facilities ("water pollution control plant") and sometimes trunk sewers in the case of sewage.

There are considerable problems in the overlapping control over these localized activities and related matters. The operation of a sewage treatment plant should be related to that of the sewage pumping stations which are part of the same system. This cannot always be easy when the operators of the former are responsible to an office in Toronto while the latter comes under the local city or town hall. A further aspect of the same problem is the kind of supervision that personnel will receive where in one case a supervisor has a number of plants which can only be visited once or twice a week because of geographic distance, while in the other case supervision by local engineering staff is more or less constant. The case for operation by Ontario Water Resources Commission staff on the grounds of the need for specialized skills is certainly much stronger for the small plant in, for example, Elmira than it is for Kitchener with a strong staff of professional engineers and technicians. It was also suggested that the Water Resources Commission is much less sensitive to local requirement and financial resources. Certainly there is not the local mechanism for balancing the cost of various alternative solutions to water and sewage problems against the willingness of local citizens to pay taxes and meet the other demands on the local tax dollar, such as education, recreation and flood control, that the local council with its breadth of responsibilities affords. Nor can a large organization, particularly one using a field organization, exercise the same care on details of operation, administration and expenditure which are characteristic of local government.

Certainly as all Commission expenditures on behalf of a municipality, both operating and capital, are shareable against the municipality which has little or no effective say in them, the Commission has not the same incentive to scrutinize expenditures as it would if it had to collect the costs directly from the taxpayers.

The Cities in their evidence tended to take the view that the only reason they were using the Water Resources Commission's arrangements to meet their immediate problems was that it was slightly cheaper because of provincial borrowing power. In private they were inclined to wonder if the lower borrowing costs were not offset by the higher costs arising from the friction engendered.

The smaller municipalities did not have the same amount of experience, but the advantages of

lower borrowing costs and technical and professional knowledge are greater in their case than for the Cities.

Many of the things said, then, about the relationship between orderly planning and water supply and distribution, apply equally to the control of water pollution.

### ***Observations and Recommendations***

The number of agencies involved in water supply and sewage disposal is unnecessarily high. One consequence of this is that those other bodies responsible for land use control and taxation and finance, whose decisions are affected by decisions on water supply and sewage disposal, have only a limited and often indirect influence on decisions regarding water supply and sewage disposal.

The large number of municipalities also causes some problems, but to date they have been able to co-operate in water supply and to some extent in sewage disposal. As to whether the future problems in respect to water and sewage can be so easily resolved, the answer must be no. Solutions to the future problems will depend on the future structure of local government in the Area, the arrangements for determining planning and development policies, and the rôle of the Ontario Water Resources Commission.

The Commission functions in three capacities in the Area at present: it establishes the water quality standards to be met and in support of these it controls the standards of design and operation of sewage disposal plants; it finances the cost of construction which are recovered from the municipality; it operates plants. To these it proposes to add a fourth function; that of bulk water supply by a pipeline from the Great Lakes.

In the long run, not all of these functions are compatible. In our system of government it is generally agreed that a regulatory body should not also be an operating body wherein it is a judge of its own case. In addition, the operational aspect removes control from those who pay for the service any effective control over the service they receive.

The Commission originated in what was considered a crisis in water supply and sewage disposal. As a result it is very "mission oriented", being pre-occupied with the problems of water supply and standards, and appears to have only limited concern, or even knowledge, of other related local problems, such as land use and finance.



With regard to its operational activities, at least as far as the Cities are concerned, the advantage of having the Commission operate plants was stated to be purely financial to reduce the apparent debt. Questions were raised as to whether or not this was largely illusory with changes in financial reporting regarding debt. For the small municipalities with limited staff, construction and operation by the Ontario Water Resources Commission has considerable advantages.

To the extent that the Ontario Water Resources Commission engages in bulk water supply and the operation of sewage disposal plants serving several municipalities, it destroys one of the most powerful arguments for having a "regional government" embracing the whole Review Area or beyond.

The divorcing of control over major aspects of water supply and sewage disposal from other aspects of local service also compounds the problems of fragmentation of responsibility for local services. Yet another body is injected into the process of making decisions as to the future development of the Area, further reducing the municipalities' ability to employ the professional and technical staff which they could use in the provision of other services.

This is not to say that the above functions are not essential, nor that the Commission does not perform useful services. Rather, will the present and emerging allocation of functions between the Ontario Water Resources Commission and the local bodies create further problems for the effective delivery of services in the Area? There is, under the Ontario Water Resources Commission's approach to water supply and sewage treatment, a tendency to perpetuate the existing municipality or the existing municipal structure. If the system or municipality that is bolstered by this aid is functioning well in all other respects, there may be no problem. But if there are defects in local organization and structure, the long-term results may not be so welcome. Indeed, such outside aid may delay the day when local governments can effectively adapt to the problems of modern society. With the best of intentions the provincial agency may be making decisions (with all the hazards of not being intimately aware of local circumstances that affect the overall development of a locality) which more appropriately should be confronted and made by local politicians.

The major problems which must be answered before decisions should be made about a water pipeline or new sewage treatment plants, are basically those of land use, local government organization and municipal finance.

When considering local water supply it is difficult to see why it should be the responsibility of a local commission rather than the municipal council. The only valid argument is that since the costs are borne out of billings to users, the financial and administrative practices are closer to those followed in electrical distribution and there are therefore certain advantages in consolidation of accounting, billing and collecting, and some aspects of administration. That there are comparable offsetting disadvantages should also be apparent. If water were a direct municipal responsibility, it would mean a more efficient use of municipal engineering, accounting, personnel, purchasing and other staff and would justify the hiring of better qualified staff and the purchase of more specialized equipment.

The achievement of satisfactory circumstances for planning and development may require a single political and administrative arrangement over wide areas which includes among other services responsibility for both water supply and sewage treatment. There is a very high price to be paid in social and economic cost when the communities' housekeeping duties are neglected or evaded — costs of the kind referred to by the Chairman of the Grand River Conservation Authority when he described the Grand River as not being accessible in the vicinity of Kitchener and Galt.



## CHAPTER FIVE

### CONSERVATION

The entire Waterloo Area lies in the Grand River watershed, and the fifteen municipalities of the Area together with fifty-nine others in the watershed have established the Grand River Conservation Authority. This special-purpose body with its headquarters in Galt has wide powers, under The Conservation Authorities Act, 1968. The objectives of these powers are to establish and carry out a program through which the natural resources of water, lands and forests of the watershed (except gas, oil, coal and minerals) may be "conserved, restored, developed and managed".

The Grand River Conservation Authority was preceded by the Grand River Conservation Commission, established in 1938, and the Grand Valley Conservation Authority, established in 1948. The Conservation Commission included eight municipalities along the watershed and had responsibility for water control and dam construction. When the Conservation Authority was formed in 1948, it was given wide conservation powers over the entire watershed, including authority for water control and dams. The Conservation Commission continued to operate after 1948 so that jurisdiction overlapped. Those municipalities served by both generally sent different representatives to each. One notable exception to this was Mr. James Bauer who represented the City of Waterloo on both and is now chairman of the present Authority.

In 1968, because of the duplication of authority, legislation was passed in effect abolishing both of these earlier entities and replacing them with the Grand River Conservation Authority. Although the initial occasion for establishing a conservation authority was related to a serious flood-control problem, over the years there has been increasing involvement in conservation in a very broad sense. Although centred upon the use of water, the approach has been to make multiple use of Authority property.

The powers of the Authority are exercised by a board of forty members representing seventy-four municipalities and the Province. They are appointed in the following manner: 1) six members appointed by the Provincial Government; 2) for the member Cities: Brantford (population 60,000) three; Galt (population 35,000) two; Guelph (population 53,000) three; Kitchener

(population 99,000) three; Waterloo (population 33,000) two; 3) one representative from the Town of Paris (population 6,000) and two from the Town of Preston (population 15,000); 4) eighteen members representing the smaller municipalities, on the basis of one representative for each (or, where the group's population exceeds 10,000, two) from each of ten groupings of the remaining municipalities in the watershed.

The municipalities of Waterloo County not mentioned above are distributed for representational purposes through four of the ten groups. The municipalities of Wellesley and Wellesley Village, Wilmot and New Hamburg are combined in group three with six municipalities in Perth County. This group sends two representatives to the Authority. Elmira and Woolwich are included in group four with three municipalities in Wellington County. This group has two representatives. Group six is made up entirely of Waterloo County municipalities: Hespeler, Waterloo Township and Bridgeport, and the group has two representatives on the Authority. Group seven, which also has two representatives, includes Ayr and North Dumfries as well as municipalities in Brant and Oxford Counties.

The total population in the Authority area is about 440,000 — of which 230,000 or fifty-two percent are in the Review Area.

The Province appoints six local residents to the Authority. Of the six, one is from the City of Waterloo (he also happens to be chairman), two are residents of Kitchener, one is from Preston, one is from Guelph, and one is resident of Cayuga in Haldimand County.

There is no indication that the Province gives the provincial appointees any instruction or direction as to what position they should take in any matter. The only practical value for their appointment seems to be to give greater equality in representation. The effect of their appointment appears to be to compound problems of responsibility to no purpose.

The Authority — that is, the full membership — normally meets twice a year. The effective working bodies are the executive committee, which meets once a month, and a number of other committees.

The Chairman, so far in the life of the Grand River Conservation Authority, has been appointed

by the Province. The Conservation Authority Act states in Section 15, subsection one; "At the first meeting of an authority and thereafter, at the first meeting in each year, the authority shall appoint a chairman and one or more vice-chairmen from among the members of the authority, but, where a grant is made to an authority under section 38, the Lieutenant Governor in Council may appoint the chairman from among and members of the authority." The Grand River Conservation Authority receives substantial grants under Section 38 of the Act. It has been announced that commencing in 1970 the Authority may elect its own chairman. This is one of three Authorities for which the province appoints the chairman — the others are the Credit River and Metropolitan Toronto (formed by the amalgamation of four Authorities in 1957).

The Conservation Authority is an important provider of service in the Area through its continuing involvement in matters of flood control, water quality, sewage treatment, and park and recreational uses of land. These are touched on elsewhere in the context of those services.

In this section, the Commission's main attention is directed to the political framework or mechanism by which local conservation policies are determined. It should be understood that Authority projects are usually underwritten by substantial provincial and, for some specifically approved projects, federal grants. To help cover operating costs, grants normally amounting to fifty percent are received from the Province, the balance of the costs being levied in proportion to each member municipality's share of total equalized assessment in the watershed. A municipality may not appeal any aspect of this kind of cost. Capital projects, such as a dam, may enjoy varying degrees of financial assistance from both the Provincial and federal governments, the remaining cost being apportioned to those municipalities that benefit on a cost-benefit basis (determined by the Authority), or on a *per capita* basis.

The current budget (1969), including funds allocated for both operating and capital projects in the year, is just short of six million dollars. This budget is divided as follows: \$850,000 operating, \$3,000,000 general capital and \$2,000,000 flood control.

While the various formulae for arriving at provincial and local shares are complex, using sliding scales and special benefit considerations for some aspects (particularly dams, or flood control), the overall effect is that about \$2,150,000

must be raised from local resources. This means that in total, covering both operating and capital expenditures, the Province provided the Authority with more than sixty percent of its financial requirement in 1969. Some elements of the budget cost-sharing are as yet unresolved, e.g. the five-dam project discussed elsewhere in relation to water pollution.

The problems inherent in the working of the Conservation Authority are illustrated by the events relating to the scheme to construct five major dams which the Authority has been vigorously promoting for some time. The Commission is not in a position to give a full account of everything involved in this case, but the essentials are recounted below, particularly as they reflect the representational aspects and the role of member municipalities affected by decisions made by the Authority. The case offers an example of how conflicting priorities may or may not be worked out under the existing political and financial arrangements.

The Chairman, quite properly reflecting the special purpose of the Authority, is a strong and enthusiastic advocate of a continuing dam program for the Grand River system. The case for more dams in addition to the three major and six minor existing dams has been clearly stated in a number of meetings and publications. The cost of proceeding with the scheme is estimated at \$30,000,000 over a period of years. The final cost to the local municipal taxpayer for the full five-dam project is still in doubt, because the level of financial participation by the senior governments has not been resolved. At any rate by a slim margin (the acting chairman voted twice, once creating a tie, then as chairman breaking the tie in favour of the program), the members of the Authority — apparently anxious to get ahead with land acquisition — voted in favour of keeping monies in the budget for land-buying purposes. The representatives of the Cities of Galt, Kitchener, Waterloo and Brantford voted against the proposals, but one of the members voting in favour was a provincial appointee who is also manager of the City of Kitchener Water Commission. A clear majority at the same meeting voted to reduce the local share of land acquisition costs in the dam program from \$700,000 to \$400,000. This willingness to support a lesser local amount implies a general approval of the principle of the project but, withal, a wish to alter its staging and financial cost sharing. Negotiations with the Province are currently being conducted in an effort to find some new acceptable financial formula for shar-



ing the cost of the entire project between the Province and the Authority. It is apparent that federal financial assistance will not be available for conservation projects — as apparently it is not forthcoming for other local programs, such as urban renewal.

In this analysis it is not important to discuss the merits of the dam program or why the City of Kitchener opposed the program, except to say it is apparent that Kitchener's selection of priorities did not include money for such expenditure. The important thing to consider is that the decision-making body (the forty-member Authority), which can make important demands upon local financial resources, has only three members selected by and representing the City of Kitchener. This means that Kitchener, with a population of nearly 100,000 persons or twenty-two percent of the entire Authority-area population of 440,000 has only seven percent of the vote at the Authority. It is significant to note as well that the Cities of the watershed have sixty-three percent of the population yet only thirty-two percent of the votes at the Authority.

Under the Conservation Authorities Act, 1968, the Authority may apportion the cost of projects on the basis of the benefit afforded each municipality. The municipality may not, under the Act, dispute the project; but it may appeal its share of the cost. The City of Kitchener is, of course, publicly committed to opposing the dam program as it is at present proposed to be financed. *The Kitchener-Waterloo Record* in a news item of June 3, 1969, reported that twenty-six municipalities were opposed to the program and supported Kitchener's position. These included the Cities of Galt and Waterloo and the Town of Preston but did not include the Cities of Brantford and Guelph or the Town of Hespeler. It appears, however, that such opposition — even if it did represent a majority in terms of population in the watershed — would be ineffective under the present provisions of the law as it concerns conservation policy-making. It is interesting to speculate, with hindsight, that Kitchener might have defeated the dam program with representation that was exactly proportional to its share of total Authority area population. Once again, the knotty problem of proper and clear lines of responsibility for local policies is at issue, with the matter of fair representation plainly unresolved. The responsibility for conservation measures and programs becomes very obscure in the circumstances.

A complication created by the legislation establishing the Authority is that generous grants are available through the Department of Energy and Resources for a very wide range of activities; yet if a municipality wishes to undertake the same functions, in most cases grants would not be available or would be available on a much less generous scale. For this reason, together with the Authority being a long-established and vigorous one, it is not surprising that it undertakes projects, such as the acquisition of land for park and greenbelt purposes, which ordinarily would be a municipal responsibility. The very success of the Authority has affected the priorities in the provision of public services and the spending of public funds. That this was the general intention in establishing the Authority is clear. The extent to which the result has been to erode or weaken responsibility in other areas and to distort the allocation of resources is another matter.

### **Observations and Recommendations**

Some of the activities of the Authority, particularly those not directly involved in the operational aspects of water management, could just as logically be carried out by a municipality. To be feasible this would entail a re-orientation of thinking regarding Area parks and recreation and changes in grant formulae as referred to in the observations on Parks and Recreation.

The composition of the Authority's board should be made to accord more closely with the distribution of population and the financial contributions of the constituent municipalities. The abolition of provincial appointments and having those six members appointed by urban municipalities would be a step towards making the Authority a more representative body.

Because the Authority's jurisdiction covers an entire watershed, it is one special purpose body for which there is no satisfactory alternative at the local level. Re-allocation of some of its activities, modifications in its relations to the municipalities in the Area, and a re-examination of the provincial grants for parks and recreation would, perhaps, lead to a strengthening of the capability of the municipalities which are the primary bodies.

Certainly, stronger local government and the subsequent development of more comprehensive and comprehensible land use policies can only improve the capacity for effective conservation measures.



## CHAPTER SIX

### PARKS AND RECREATION

Decisions about parks and recreation facilities and their use are made, for the most part, by persons not directly responsible to the electorate. In almost every case where municipalities support such programs, policy is made by appointed bodies.

In recent years, the trend in the Waterloo Area has been to establish boards that combine responsibility for both parks and recreation. Financial support comes, in the main, from local tax levies. Provincial grants play a very minor rôle in the financing of local parks and recreation activity. In 1965, provincial grants represented little more than one percent of the \$1.8 million total outlay for recreation and community service in the Waterloo Area. Unless there is a Recreation Committee established by council on which members of council are a minority, under the Department of Education Act, no provincial grants would be available for a recreation program.

Each of the Cities of the Waterloo Area has boards responsible for the combined functions of parks and recreation. In Galt, the board responsible for both parks and recreation consists of nine members appointed annually — two of whom are members of council; the rest are residents of Galt. In Kitchener, a Private Act of the Ontario Legislature provides for a board of ten persons responsible for parks and recreation policy. Again, two of these members must be aldermen; the other eight are residents of the City and appointed by Council, in this case for terms of two years. In the City of Waterloo, the Community Services Board is appointed by Council and consists of the mayor, one alderman and eight residents of the City. The term is two years.

In addition to the power of appointment, councils exercise some formal control over these bodies through the approval of their budgets.

The joint administration of parks and recreation through an appointed body is also employed by several other municipalities, namely: Hespeler, New Hamburg, Ayr, Bridgeport, Wellesley Village, Wellesley Township and Woolwich Township.

In Elmira, the responsibility for parks is under council; in Preston there is a Parks Board. Both municipalities have committees, appointed by Council, which include a majority of non-council members, responsible for the recreation

program. The Township of Wilmot has recently established a recreation committee of twelve, three of whom are members of council.

Neither of the Townships of North Dumfries or Waterloo has any formal arrangements for carrying on parks or recreation programs.

The County of Waterloo carries out no significant activity in the field of parks or recreation, although legislation (The Public Parks Act) exists under which counties may provide parks on a county basis. There is a small area of County forest administered by the Department of Lands and Forests. The Grand River Conservation Authority owns large sections of valley lands in the Waterloo Area which are held for purposes that include recreation.

At the time of the preparation of the Data Book, park and recreation facilities in the Waterloo Area ranged from extensive facilities and programs in the three Cities to roadside picnic tables in some of the Townships. All of the municipalities have some amount of park space, however small. One or more swimming pools are to be found in six of the municipalities. All the Cities and Towns together with the Village of Wellesley have artificial ice arenas. All of the Townships have community centres or halls available for public activities.

The Cities have by far the largest acreage of developed park land. The City of Galt has eleven park sites, the largest being eighty-seven acres. In all, there are 185 acres of park in the City, and a wide variety of recreational facilities are available.

For the purpose of the Data Book, Kitchener reported ten play lots, nineteen neighbourhood parks, five community parks, three regional parks, two conservation areas and nine open spaces (including three golf courses). All of these sites taken together provide a total 1,815 acres of parkland. The City also has an auditorium, two community arenas, one indoor-outdoor and two outdoor swimming pools. The long-range plans of its parks and recreation authority call for continued expansion, on a planned basis, of these facilities. The City of Kitchener of course employs more people for parks and recreation purposes than any other municipality — some fifty-one persons full time and 246 part-time personnel during the course of a year.

The City of Waterloo has seven parks, the largest of which is 100 acres. Total parkland is approximately 190 acres, and a wide program of recreation is offered through the facilities of the City's parks, arena and swimming pool.

The Towns and Villages reported the following number and acreage of parks: Elmira, four sites totalling about thirty acres; Hespeler, five sites totalling seventy-five acres; New Hamburg, two sites (including a conservation authority site) of over forty acres; Preston, two sites involving more than 200 acres of developed and undeveloped parkland; Ayr, thirty acres; Bridgeport, five acres of parkland; Wellesley, thirty acres.

While no extensive effort is made to calculate the number of people who cross municipal boundaries to make use of another municipality's park or recreational facilities, most municipalities clearly believe that considerable use is made of their facilities by non-residents. Sometimes a small fee is charged for outsiders. On the whole, however, this inter-municipal use is not actively discouraged, and many indeed welcome the use of the facilities by anyone.

The cost to municipalities, in 1965, of providing parks and recreation in the Waterloo Area was one of the smaller items in terms of expenditure in the overall budget. Less than ten percent of gross municipal expenditure in the Waterloo Area is directed toward programs involving parks and recreation.

In addition to municipally-developed parks and recreation facilities, the Grand River Conservation Authority is a major provider of open spaces for present and future recreation use.

Within the Waterloo Area the Conservation Authority has the following sites either developed or under development: Chicopee Conservation Area (east side of Kitchener, skiing), 150 acres; Laurel Creek Conservation Area (north of City of Waterloo, dam, minor facilities for picnics), 720 acres; Breslau Conservation Area (dam, roadside picnic tables), fifteen acres; New Hamburg Conservation Area (picnics, camping and boat docking), twenty-five acres. A dam is nearing completion at Shades Mills near Galt where some 80 acres of land will be developed for picnic and beach purposes as well as water storage. Close to, but not actually in, the Waterloo Area are some major park and recreation facilities developed by the Grand River Conservation Authority. They are Pinehurst Conservation Area (Brant County on Highway 24A — swimming, picnics, camping, trails), 200 acres; Dickson

Wilderness Area (Brant County — off Highway 24A — nature trails), seventy-five acres; Puslinch Lake (Wellington County — in the early stages of development); Elora Conservation Area (picnics, camping, swimming, fishing), 300 acres; Rockwood Conservation Area (east on Highway 7 — picnics, camping, swimming, fishing), 200 acres.

### **The Deficiencies of the Present Facilities and Arrangements**

The Waterloo Area has, in total, an impressive array of parks, open spaces and recreational facilities. The questions to be answered, however, are whether there are enough and whether they are in the best places. People are becoming increasingly concerned about the quality of their environment. Society is being constantly reminded that we are becoming a leisure-oriented society which will require more and more leisure-time pursuits. There is therefore a need to keep these recreational requirements in mind when the future land use of the area is planned.

Society is also warned that recreation should be considered to have more to it than taking regular exercise in the park. In the future, recreation programs will have to be more diversified to meet a greater variety of tastes and interests.

Can the present arrangements provide an adequate basis to meet broad demands for recreational programs and activity? Many of the briefs put forward the view that parks and recreation represented service responsibilities that could be divided between a regional government and local municipalities. This suggests that there were some aspects of parks and recreation activity that were large enough in scope and of common interest to a wide enough area that they should be provided on a regional or area-wide basis, in the interests of equity and economy.

Only one brief received by the Commission dealt exclusively and at some length with the problems of recreation. That submission was made by Mr. Lloyd Minshall, currently Supervisor of Professional Training and Development for the Department of Education (Community Programmes Branch) and formerly Commissioner of Parks and Recreation, City of Kitchener. In the brief was listed a number of problems that place obstacles in the way of providing a broad and fully effective recreational program. Of particular interest to the Commission were the following of Mr. Minshall's observations:



1) unequal program opportunities — some jurisdictions offer a much wider and better program of activities than neighbouring municipalities; this inevitably leads to the need for “extra” participation fees for those participants from outside the municipality; 2) inequalities in *per capita* cost of facilities and programs — municipalities do not share equally in the cost of building and operating facilities or the provision of program activities, but sometimes coast on the services provided by a neighbouring jurisdiction; 3) access to school facilities — some recreation authorities have been unable to secure easy and economical use of schools for community programming agencies; 4) lack of co-ordination in planning local facilities — a good example of this is Breithaupt Centre, located in Kitchener but close to the Kitchener-Waterloo boundary, which has resulted in restrictions on the enrolment of Waterloo residents in swimming classes (and therefore apparently negates the advantage of its central location); 5) inability to plan and operate regional facilities — many of the larger and costlier facilities, especially parks, are lacking in the region because they cannot be planned co-operatively, and one municipality cannot afford to build and maintain the facility.

It is in the area of providing “regional” facilities that a particular deficiency is noted. Facilities regarded as regional should be available to people living anywhere in the Area. A broad financial basis of support for such facilities is required as well so that no single municipality will be expected to provide what amounts to a regional facility.

The Waterloo Area Conservation and Recreational Technical Committee, in a report dated April 13, 1967, proposed standards for park and recreational facilities and attempted to assess present and future needs in the Waterloo Area as the basis for a proposed brief to the Commission. The Waterloo Area in the view of this Committee needs such recreational and educational facilities as aquariums, art galleries, botanical gardens, residential camping sites, sites reserved for future beach development, conference retreat centres, conservatory greenhouses, fish reserves, scenic drives, Olympic-size swimming pools, water-ski areas, snowmobile tracks, observatory and planetarium facilities, outdoor theatre, and a zoo.

The list is long and expensive. The provision of some is mainly a matter of time and handling the many competing demands on resources, but the present fragmented and confused arrange-

ments for providing such facilities can only be a severe handicap.

The Conservation and Recreational Technical Committee had been established with the hope of making proposals to overcome some of these problems and to bring a varied recreational program into effect. While the members representing various municipal interests were able to agree on the problems and goals, they were not able to express a unanimous opinion as to the means or the political arrangements for achieving success in the field, and so declined the opportunity to make a submission (essentially on the grounds that it would not be fair to expect a spokesman from the group to defend the group submission). Nonetheless, the information they made available to the Commission was very helpful in identifying problems in the area of recreation. It should be noted that the Committee's conception of recreation and community facilities goes far beyond what is usually considered organized recreation.

### **Provincial Activity in Parks and Recreation**

The smooth operation of parks and recreation programs is apparently frustrated to a considerable degree by the application of Provincial legislation in this field of service. In the brief prepared by Mr. Minshall, the view was expressed that:

“Difficulties experienced at the local level are aggravated by the complete lack of co-ordination within the services provided by the Provincial Government. The hodge-podge of authorities, grants and advisory bodies, provided under provincial legislation, leave local municipalities confused and bewildered.”

It is suggested that the confusion is caused by problems that can be divided into three general areas:

1. a diversity of grants for recreation facilities and programs, i.e. a) capital grants for playing fields, swimming pools, arenas and community centres under the Community Centres Act, administered by the Department of Agriculture and Food; b) capital grants for purchasing and developing conservation areas under the Conservation Act, administered by the Department of Energy and Resources Management; c) capital grants for purchasing and developing certain kinds of park areas under the Parks Assistance Act, administered by the Department of Lands and Forests; d) capital grants



- for building day centres and drop-in centres for senior citizens under an act administered by the Department of Public Welfare; e) an annual program and leadership grant under recreation regulations administered by the Department of Education.
2. In addition to this complexity there are a multiplicity of advisory services, including the following:
    - a) community planning by the Department of Municipal Affairs; b) building recreation facilities by the Department of Agriculture and Food; c) programs and facilities for older people by the Department of Public Welfare; d) regional development by the Department of Economics and Development; e) conservation areas by the Department of Energy and Resource Management; f) personnel requirements for arenas by the Department of Labour; g) historical programs and museums by the Department of Tourism and Information; h) all aspects of organized recreation by the Department of Education.
  3. There are also, as Mr. Minshall points out, a maze of unrelated studies, special committees and terminology:
    - a) the Niagara Escarpment Authority and study; b) the Parks Branch study of recreation facilities for the Department of Land and Forests; c) the Department of Highways study of roadside parks; d) the Parks Committee of the Conservation Council of Ontario; e) Regional Development, as used in the study being made by the University of Waterloo on the concept of a regional plan; f) Community Development, as used by Community Programs.

It seems incredible in view of the array of "aids" listed, that slightly more than one percent of expenditure for parks and recreation at the municipal level is represented in financial aid from the Provincial Government. Expenditures by the Conservation Authority are not included and the municipalities' share of Conservation Authority expenditures are included in the general category of joint or special expenditure in their accounts. When one considers the duplication of administrative effort alone that must be represented in the total picture, the efficiency of effort must be questioned, certainly in the context of the Waterloo Area.

There can be little doubt that the conscious establishment of a broad range of recreational

facilities and activity will be an important element in the everyday living of an increasingly urban society. Society will no doubt expect much of its public authorities in this respect.

In its brief, the Kitchener-Waterloo Social Planning Council emphasized the importance of recreational activities in the general scheme of social planning. The Council members contended that the lasting effects of the environment in which leisure time is spent has quite a substantial effect on people.

The issue at stake for the public policy-maker was quite clearly represented in a letter to the *Globe and Mail* in February, 1969, from a resident of the City of Kitchener. The writer of the letter took issue with the expenditure of millions of dollars for an expressway in the Kitchener-Waterloo area when the City still lacked, in his opinion, adequate musical and arts centres and a "decent park". In the urban areas particularly, politicians will be pressed to give higher priority to recreational facilities when they are making their choices with respect to the use of the tax dollar. Indeed the whole issue of "urban environment" to which the concerned letter writer alludes must be explored. It should be recognized that direct relationship exists between the choices the politician makes and the formation of the urban environment in which so many of us must live. The evidence is clear that the present arrangements are neither suitable nor readily adaptable to carrying on the level of program that is expected now and for the very near future.

There are no provincial or county parks in the Area. However there are some 600 acres of County forests in various locations. These are maintained by the Department of Lands and Forests at cost. Recently a large area (226 acres) was given to the Province on the boundary between Galt and Preston to be maintained as a park. It will be maintained by the Department of Lands and Forests.

The Conservation Authority areas are used extensively as regional facilities, with people coming to them not only from outside the Review Area, but also from outside the area of the Conservation Authority.

### **Observations and Recommendations**

The need for regional parks, largely, is being met through efforts of the Grand River Conservation Authority. It is an appropriate body for this task in that its jurisdiction covers a wide area.

Much of the potential park land lies in the river valleys, and its conservation sites are intended for multiple uses. Fortunately, the Authority appears to have a good working relationship with the municipalities in the Area, but it is clear that the main reason for its success as a regional parks and recreation body is the large scale grants which it receives, generally running between fifty and seventy percent of costs. The question as to how regional parks which are not so directly related to conservation are to be developed is a major one. Related to that question is the question: why can a conservation authority receive grants on this scale, while municipalities cannot (or may, only after considerably more restrictive procedures)?

The growing population of the urban areas and increased mobility makes the acquisition and development of open space and recreational areas a matter of urgency. This is particularly true of the extensive and expensive sites located in rural areas that primarily serve needs generated in urban areas. There is no evidence of any really concerted effort to explore and pursue fully the need for parks in the Area except as done somewhat obliquely by the Conservation Authority.

One reason for this is the large number of overlapping bodies who have an interest in parks but not on the grand scale that will be required for future populations.

## CHAPTER SEVEN

### POLICE AND FIRE PROTECTION

#### Police

There are local police forces in nine of the sixteen municipalities in the Waterloo Area. In five of these the police function is not under the direct control of the local council but rather is the responsibility of a Board of Police Commissioners. Each of the Cities of Galt, Kitchener and Waterloo and the Towns of Hespeler and Preston has its own Police Commission. It is mandatory that in each instance one of the three police commissioners be the head of council. The other members of the Commission are usually a county court judge and a provincial judge (magistrate) appointed by the Attorney-General<sup>1</sup>. At the present time, except for the head of council, the police commissions for the Cities and Towns of the Waterloo Area have the same members. Judge D.S. Charlton and Judge J.R.H. Kirkpatrick serve all five police commissions.

In four municipalities (Elmira, New Hamburg, Bridgeport and Waterloo Township), council has direct authority for police matters.

There are eight municipalities, (including the County of Waterloo, which under permissive legislation could have a County Police Force) which provide no police service. In addition to the County, Ayr, Wellesley Village, North Dumfries, Wellesley Township, Wilmot and Woolwich have no police officers of their own. The only police service they receive is that provided at no direct cost by the Ontario Provincial Police: a general patrol of their areas to enforce all provincial and federal legislation dealing with traffic offenses or Criminal Code highway offenses. The Ontario Provincial Police does not enforce local by-laws such as parking or anti-noise regulations. Generally they come into an area only in response to a specific call, except on provincial highways, and do not provide as extensive a patrol service as is normally carried out by municipal forces.

In addition to the municipal patrol, the Ontario Provincial Police polices the Highway 401 and the Kitchener-Waterloo Expressway. There is one exception to the usual responsibility of the Ontario Provincial Police in the Waterloo Area. The Township of Waterloo Police Force provides

the police patrol of that portion of the King's Highway within its boundaries. As far as can be gathered, this is the only area of the Province where a municipal police force, in an agreement dating back to the 1950's, assumes police responsibility for Highways (in this case Highways 7, 8 and 85 within the Township). Under the new arrangements for the administration of justice (as they bear upon recovery of traffic fines) the Township receives no financial support from the Provincial Government for this service.

It would be misleading to imply that because those municipalities with police forces each have full-time police officers, each has a full-time or fully adequate police function. Of the nine municipalities with forces, four of them have fewer than ten officers. Ten is the number considered by the Ontario Police Commission as the minimum number in a police force necessary to carry out adequate service and protection. The Data Book indicates that Elmira, Hespeler, New Hamburg and Bridgeport all have considerably fewer than ten officers each. At the time of compiling the Data Book, Kitchener had 116 police officers. The other extreme was Bridgeport, with one full-time officer.

There are in the Area co-operative efforts between police forces. Where forces do not have staff to man all posts twenty-four hours a day, arrangements are sometimes made for radio coverage. For example, the Galt police relay messages to Preston and Hespeler cruisers when the call board is not covered in those municipalities. The Kitchener, Waterloo City, Waterloo Township, Elmira and New Hamburg police forces are linked by radio.

The Kitchener and Waterloo forces assist one another in emergencies and various aspects of lab and technical investigation. Police departments have co-operated in apprehending fugitives, as they did in taking into custody in Preston persons who robbed a bank in Kitchener.

Some of the problems that police meet in carrying out their duties have come to the attention of the Review. While police problems were singled out for special attention in only one brief to the Review Commission, it is nonetheless apparent that several deficiencies are present.

<sup>1</sup>There has been a trend for the Attorney-General in recent appointments to Commissions outside the Review Area, to name persons who have no legal qualifications.



Generally, major problems in recruiting are faced because of difficult working hours, low salary levels and the less-than-favourable police image that is current.

The smaller forces cannot afford to provide an adequate around-the-clock service, and also have difficulty in letting junior officers away to the police training college.

A deficiency that is particularly worrisome to the Ontario Police Commission is the lack of in-depth intelligence service. Larger forces are needed, it contends, to devote officers to the detection of criminals and their activity before and after the crime. This kind of police work is available in only a limited way locally.

The Township of Waterloo is concerned that it must now take over prosecution of fines arising from charges laid by Waterloo Police on provincial highways in the Township. Prosecution was formerly carried out by the Crown Attorney. The Township has contended that the Ontario Provincial Police should be entirely responsible for provincial highways.

The Village of Ayr has expressed alarm about the inadequacy of its police protection. Although it has no contract with the Ontario Provincial Police, the Village council has complained that it is not being properly served by the Ontario Provincial Police. An arrangement whereby off-duty Ontario Provincial Police officers were patrolling the Village was stopped by the Attorney-General's department.

The time of police officers in many localities is taken up by duties that it is claimed are not (nor should be) those of a police officer. In Galt, for example, the police have had responsibility for collecting fines and for selling certain licences.

In some of the smaller municipalities, police quarters are deemed to be quite inadequate. Only recently have deficient facilities in Hespeler been replaced. The police office previously was about twelve by fifteen feet, and adjacent to a holding cell. In this space the six-man force had all of its lockers, filing cabinets, desks and the counter at which to meet the public. It also served as a lunch room. In short, no one was allowed any privacy in the operation of this office, including interviews and the interrogation of alleged offenders.

To overcome some of these deficiencies, the advantages have been suggested of amalgamating police forces to provide a better scale of operation and a more concerted and specialized effort against crime (as in the criminal intelligence and juvenile branches of service). In 1966, the On-

tario Police Commission gave its list of possible amalgamations and included Kitchener, Waterloo City and Township and Bridgeport as one and Galt-Preston-Hespeler as another.

The fact that some municipalities in the Area with populations totalling well over 20,000 persons receive police service through the Ontario Provincial Police at no direct cost raises a very real question of equity. The remaining population in other municipalities of the Area makes direct municipal expenditure for police services, which comes back to the ratepayer as a local tax. He also helps as a provincial taxpayer to pay for the Ontario Provincial Police's services.

The Commission invited comment upon the conduct of local affairs by boards and commissions. In their replies both Kitchener and the City of Waterloo were critical of the present arrangements. The Kitchener brief stated that the Police Commission should have an expanded area of jurisdiction and, as well, an expanded number of members (from three to five), with the appointments including only one judge. The City of Kitchener also felt that the responsibility for certain licensing matters should not be left with the Police Commission, as these matters only seemed to take up valuable time and could be adequately handled at another level.

The City of Waterloo supported the concept of a Board of Police Commissioners in preference to a Committee of Council responsible for police affairs. "However, the presence of two non-resident members, who are not taxpayers in our municipality, who are not appointed by City Council causes us some concern. The Mayor can readily be outvoted on any matter by persons who have no financial or domiciliary interest in the community."

The City of Waterloo also drew attention to the substantial time taken up at Police Commission meetings in dealing with taxi, cartage and salvage yard licences. This the City believed could be dealt with more appropriately by some other body. This would leave the Commissions free to deal solely with police matters.

While both Kitchener and Waterloo favoured an appointed Commission, though in a revised form, the question of accountability seems to be raised, however obliquely, in the Waterloo comment above about the position of its mayor in board voting. Perhaps the matter of accountability for police policy and action should be re-examined. Judges and magistrates, for example, are difficult to hold accountable for the decisions

they make about public policy as it affects police affairs.

While there is substantial evidence that many of the deficiencies of small and fragmented forces can be overcome by the kind of co-operation that has been practised in the Area, it is apparent that the problem lies more in the deficiency of finance. The smaller municipalities simply are financially unable to engage suitable qualified police officers in sufficient numbers.

### ***Observations and Recommendations***

The main problems of policing are in the urbanized areas. There has been a high standard of co-operation to reduce the difficulties in police service. But having seven municipal police forces (Kitchener, Galt, Waterloo, Preston, Hespeler, Waterloo Township and Bridgeport) and the Ontario Provincial Police unit in the area ranging in size from 116 men down to one man, cannot be economical or provide satisfactory service for a population of only 210,000 given the mobility of law offenders. Moreover, even with the best of intentions there will be inequalities in policing, even if all the members of each force were trained and equipped to the same level.

In the rural areas and the smaller urban centres located in them, the policing problems are different, and a small force may be tolerable if it has access to the facilities of the Provincial Police.

One problem that will arise if policing in rural areas were made a regional responsibility, would be an increase in costs — not only would the services provided by the Provincial Police have to be assessed, but a general policy of police cruisers regularly patrolling rural areas would have to be established because of demands for uniform standards of service throughout the area. No information was offered as to whether the standard of policing in rural areas was adequate. In the absence of comment on this point from either rural residents or the Ontario Police Commission it is assumed not to present a serious problem.

There was some evidence that the very small urban centres in rural areas just do not have the resources to support anything but a minimum police service, as evidenced by the problems of Ayr and Wellesley Village. One answer to their particular problem, aside from any changes in local government structure which will be discussed elsewhere, would be for the County to establish a police force which would be responsible for policing in all the small urban municipalities and

police villages (which oddly have no police functions), the cost to be charged against those places. This force could be enlarged to assume all police responsibilities in the rural area if it were desired.

With regard to administration, the existence of police commissions as special boards does not represent the same problem as do some of the other boards. The police are municipal employees, and the commissions have no separate staff. The police budget is subject to approval by the municipal council. The justification for having a commission is presumably to keep the police out of politics. While this has been a problem in the past and may become so again, the elaborateness of the law governing police activity and the supervision given by the Ontario Police Commission, weakens the argument considerably. In any case, substituting for a group of elected politicians a number of citizens appointed by politicians surely meets the issue only half way. There is no good reason why the size of the commission could not be increased and the Mayor, who is a member ex-officio, be joined by at least one other member of council. In fact, as is stated above, in smaller municipalities police usually do come directly under the authority of council.

Responsibility for licensing should be removed from police commissions and made a direct responsibility of council. This should not prevent police, or a police commission, commenting on particular licensing regulations or licenses, where there are implications for law enforcement.

### **Fire Protection**

Fire protection is one of those services which come directly under the authority of council in each of the municipalities in the Waterloo Area. The level of service varies significantly among the municipalities. While the three Cities have departments staffed by full-time firemen, all the other municipalities are served by volunteer forces. Two exceptions to this should be noted. In addition to the volunteer staff, the Town of Preston has four full-time firemen, and the Township of North Dumfries has neither full-time nor volunteer firefighters but relies upon agreements with other municipalities for protection. The Township does provide a tank truck for the use of those departments from outside the municipality which come into the Township to fight fires.

Fire protection service is one for which a great many agreements exist between municipalities.



The Township of North Dumfries receives all of its fire protection through such agreements with both Galt and the Village of Ayr. It is true that all of the other municipalities do have either full-time or volunteer forces; nonetheless, many have inter-municipal agreements through which one municipality will agree to provide protection for a certain designated portion of another. Agreements normally call for a fee to be paid by the serviced municipality to its neighbouring municipality, which agrees to answer fire calls on the basis of so much per call.

At the time the Data Book was compiled there were nine such agreements in effect involving municipalities of the Waterloo Area. Indeed, fire service is one of those in which a good deal of co-operative activity takes place in the Area. While these agreements are in effect and provide the initial fire service for some municipalities, another service is available in the County: Mutual Aid. This does not comprise any different personnel or departments than described earlier; rather it provides assistance in extreme emergencies where one municipality requires assistance with first and second calls. It also includes a stand-by service for departments while they are fighting fires in another municipality. The co-ordination and direction of the Mutual Aid service is under the fire chief for the City of Kitchener.

Only one brief received by the Commission dealt with problems of fire protection in any length. That was presented by Chief Johnston, the chief of the Kitchener fire department and the Mutual Aid co-ordinator. He asserted that while Mutual Aid has been working well it has not overcome some of the basic problems in fire fighting. These lie in the category of initial service where, he contends, "boundaries are not set up to utilize equipment and manpower to its best advantage. In the City of Kitchener, where I do have authority, the closest station to a fire or emergency situation responds. This is not so in the County. In some cases a Fire Department has to pass through another department's area to reach portions which they cover (Floradale, Baden, Waterloo Township)."

Where agreements do exist, problems arise in negotiating or renewing them. Through the first half of 1969, the Town of Hespeler and the Township of Waterloo had not reached agreement upon the fees to be paid by Waterloo Township to Hespeler for service to the former. This, in effect, meant that certain portions of Waterloo

Township would have no official fire protection until agreement could be reached. However, Hespeler provided services during the period in which no agreement was in effect.

The question of which fire department will go to fires is a matter of some practical difficulty. As Chief Johnston pointed out in this question put to the Commission, "if your house were on fire and you knew that there was a fire hall within say half a mile of your home, *but* (and this is a big question) the fire department which covered your area and to whose governing body you paid your taxes was ten miles or more in the other direction, where would you go or call for assistance?"

It is suggested by the Ontario Fire Marshal, with whom the Commission met, that a great deal can be gained through a wide centralization of fire-fighting forces. This centralization would not mean a complete elimination of the existing organization and would recognize the differing needs of both urban and rural areas. (Indeed, the Fire Marshal, Mr. Hurst, cautioned that to put a centralized, widely based service on a full-time staff basis could be financially disastrous.) But centralized administrative authority and co-ordination would bring certain benefits.

These benefits, as suggested by the Ontario Fire Marshal, are as follows:

1. Would permit a more logical and economic development of fire-protection and fire-protection services throughout the entire region and would keep pace with the growth of particular areas as conditions require.
2. Would permit the correction of situations where some local municipalities provide a low standard of fire protection or no fire protection to their citizens.
3. Would permit the re-location of fire stations, fire-fighting manpower and equipment regardless of local municipal boundaries so that more efficient use of existing services may be provided to the region as a whole, and avoid duplication of such facilities, particularly along the borders of the local municipalities.
4. Would permit the use of all fire-fighting man-power and equipment of the local fire departments under unified command and control for any large-scale fires that may occur in any of the area municipalities, and a re-location of the balance of the fire-fighting equipment to provide protection to the non-affected areas.



5. Would permit the use of any specialized fire-fighting and rescue equipment such as rescue trucks, aerial platform lifts and fire boats for any fires or accidents that may occur in any of the local municipalities, and thus avoid the duplication of purchase of such specialized equipment.
6. Would permit a central communications system, including one fire alarm telephone number for the region as a whole, which would avoid citizens calling the wrong fire department in an emergency and provide adequate dispatch and control of all fire-fighting equipment. Such a system would also reduce the present number of fire alarm headquarters, facilities and staffs.
7. Would permit more flexibility in the manning of fire-fighting apparatus in cases of illness, days off, lieu days, vacation periods, whereby such off-time could be planned on a regional basis and, as a result, more equitable manning could be provided.
8. Would permit the construction and operation of central fire training facilities and the development of standard training methods for use of the fire-fighting personnel in the regions, which extensive costs may be apportioned among the local municipalities.
9. Would permit the enactment of a fire prevention by-law which would provide uniform requirements of fire safety for the region as a whole and avoid the present differing requirements or no requirements at all.
10. Would permit the consolidation of fire prevention facilities, information and staff, and the better utilization of such facilities and staff.
11. Would permit the consolidation of administrative facilities and staff, and the better utilization of such facilities and staff.
12. Would permit the consolidation of senior operations staff, and the better utilization of such staff.
13. Would permit the consolidation of equipment repair facilities and staff, and the better utilization of such facilities and staff.
14. Would permit the centralization of purchasing which should reflect reduced costs in the bulk purchases of fire fighting apparatus, equipment, uniforms, communications, etc.

The difficulty of achieving even some measure of these benefits under the present arrangements is demonstrated by the fact that, although people responsible for fire protection have been advising

boundary changes to bring better efficiency for some time, nothing substantial has happened. It is up to each municipality to change fire boundaries by by-law yet these changes have not taken place.

Again, as with the police, the Area has a long record of effective co-operation. A particular and outstanding example of this co-operation is the service offered by Kitchener to rural areas through the taking of calls and activating alarms to call volunteers and dispatch equipment in rural areas and assisting with the training of voluntary departments. The Kitchener fire chief is one of the first to point out, however, that fully effective fire protection is not available under present arrangements of boundaries and limited finance.

### ***Observations and Recommendations***

Many of the points discussed in relation to police also are applicable to fire protection. Because of differences in the nature of the problem, and the fact that generally co-operative arrangements have gone a long way to reduce inequalities in service the emphasis and kind of adjustments necessary may not be the same. Again, having seven fire departments to serve the two urban complexes does not seem economical, nor can service be equal in all parts of the Area and agreements between municipalities are not always satisfactory to both sides.

A reduction in the numbers of fire departments in the two urban areas is clearly desirable. This will cause some increase in costs as the volunteers in Preston, Hespeler, Bridgeport and parts of Waterloo Township are replaced in full or in part by full-time firemen.

Again in rural areas, the fire protection problems are rather different, particularly with the lesser danger of conflagration which is essentially an urban problem.

It is neither desirable nor economical to replace the existing volunteer departments by full-time firemen with the exception perhaps of Preston and Hespeler.

There are, however, advantages in having a more unified fire service for the whole rural area, to provide improved and better co-ordinated protection and training services now provided in a limited way on a co-operative basis.

## CHAPTER EIGHT

### LICENSING AND INSPECTION

Many of the by-laws of the municipality are concerned with the licensing and regulating of a variety of activities. The range of activity for which municipal licences are required is wide and policies regarding the control of these activities may vary from municipality to municipality.

Among the kinds of property, establishments or activity for which licences may be required are: amusement places, auctioneering, bakeries, barbershops, bicycles, billiard tables, butchers, carters, car washers, dogs, drain and septic tank contractors, dry cleaners, explosives, food shops, fuel dealers, hawkers and peddlars, heating equipment installers, insulation installers, laundries, lodging houses, milk vendors, motels, pawnbrokers, plumbers, renovation contractors, restaurants, service stations, taxis, television antennae installers, trailer camps and transient trades. In addition permits may be required for buildings, plumbing and trenches. The line between licences and permits is not clear. Some of the powers are exercised for purposes of taxation and are simple to administer and others for purposes of regulation have complex by-laws and extensive provision for inspection. Some of the by-laws are traditionally closely related to police work, as in the case of pawnbrokers and taxi cab drivers, and others are related to aspects of public health and safety as in the case of building permits.

Where controls are laid down, inspection of these activities will be, in some cases, carried out by the Waterloo District Board of Health, by the Police Department in others, and by building inspectors in those matters relating to building, plumbing and trenching.

The more rural municipalities do not usually control as many activities through licensing, largely because they do not permit or experience such a wide variety of activities. The Township of Waterloo, one of the Townships experiencing considerable urban pressure, issues licences for restaurants and lunch rooms, dogs (one of the more important rural licensing activities) bicycles, rest homes and nursing homes, hawkers and peddlars; permits for building and plumbing.

The licensing powers are basically exercised by the municipal council, except that for urban municipalities many of them are exercised by the police commission. When a city reaches a population of 100,000 the commission's powers are considerably enlarged at the expense of the

City Council as has recently happened in Kitchener.

Even in those municipalities with less than 100,000 population the police commission devotes a considerable portion of its time to the granting of licences, particularly taxi and cartage licences. The commissions presiding in Galt, Kitchener, Waterloo, Hespeler and Preston also set taxi fares, issue junk yard licences and grant those licences required by driver training schools. Inspection of these controls is carried out by the local police department.

An example given to the Review Commission to illustrate the complexity of the licensing field at the local level was the operation of taxis between Kitchener and Waterloo. Under the present application of regulations taxis may only be licensed in one of the two municipalities. A taxi licensed in Waterloo may pick up a fare in Kitchener and deliver it in Waterloo but it may not pick up a fare in Kitchener and deliver it in Kitchener. Dump trucks, or cartage trucks on the other hand, may operate in more than one municipality but they may be required to be licensed for each municipality in which they are going to operate and may be refused in some and allowed into others.

The main purpose behind the issuing of municipal licences is to enable the municipality to exercise some control over the type of use or activity covered by the licence rather than to provide a major source of revenue. In many cases the fee charged for the licence does not pay the cost of its administration by the municipality.

Where the particular activity involved takes place over or affects a wide area it is apparent that uniform controls would encourage equity of treatment, cohesive administration and the subsequent discouragement of taking advantage of those municipalities with inadequate or lower controls.

### **Observations and Recommendations**

No major problems relating to licensing and inspection were raised with the Commission. There are, however, three issues which are commented on:

- 1) Why certain regulatory powers are exercised by a police commission, the members of

which are either *ex officio* or appointed by the Provincial Government, rather than by the council, and particularly why those powers should have been extended in the case of Kitchener by diminishing the jurisdiction of the municipal council? Certainly the municipal council should at the very least have the powers to pass the basic by-law to be administered by the commission.

- 2) Where a particular person or business is licensed in one municipality but, as in the case of carters and certain tradesmen, may

be exercising it in a number of others, in an area such as this it should be possible to work out schemes for mutual recognition of each other's licences.

- 3) The advantages of a common set of building standards were raised in a submission by the Urban Development Institute so that contractors could work more easily in a number of municipalities. Apparently this is not a serious problem as the National Building Code has been generally adopted in the Area but the problem bears watching.



## CHAPTER NINE

### ROADS

The responsibility for roads and streets of the Waterloo Area is divided among many jurisdictions and authorities. There are over 1,400 miles of roads and streets in the study area, and some twenty different authorities: sixteen municipalities, three suburban roads commissions, and the Department of Highways.

#### Municipal Roads

The largest portion of the road mileage (1,100) in the Waterloo Area is the direct responsibility of the municipal councils.

The City of Kitchener has the greatest mileage of roads: more than 230, of which over 200 miles are paved. The Village of Wellesley, at the other end of the scale, has 3.6 miles of municipal roads within its boundaries.

The Villages, understandably, have the shortest mileages (less than ten miles in each case) of municipal roads. All the Towns have less than twenty miles of municipal roads, except Preston with thirty-four. The Cities and Townships each have municipal road mileages approaching or exceeding 100 miles. In the Cities and Towns, the majority of municipal roads are paved, while most of the Township roads are loose-top construction. The municipal roads of the entire Area are fifty percent hard-top and fifty percent loose-top.

The number of persons employed by each municipality to carry out its road program varies considerably. The City of Kitchener employs more than 100 persons at the peak of the road construction season, and the City's permanent staff includes seven engineers. The other Cities and one Town also have the services of full-time engineers. None of the remaining eleven municipalities employs full-time engineers. The Town of Hespeler has the services of an engineer from a private consulting firm for a half-day each day.

Each of the Townships and Villages and three of the Towns engage less than ten persons each on road work even in peak periods, and rely either on consulting engineers (on a fee basis) or on the Department of Highways for advice.

The same general approach is taken by each municipality in the actual execution of road work. Each municipality owns road equipment (as a minimum, graders, trucks and snow plows), and rents additional equipment and lets contracts for construction and current programs as required.

Municipal road expenditures are financed by two main sources, local tax levies and provincial grants. The latter are made on a sliding scale related to the type of category of municipality and road. On approved projects, which are certain main roads, Cities may receive thirty-three and a third percent of the expenditure in the form of provincial grants. (These were to be raised to fifty percent in 1970.) At the other extreme, Towns, Villages and Townships may receive grants for as much as eighty percent for bridgeworks and fifty percent on essentially all roads. In recent years, connecting links — i.e. extensions of or connections to the King's Highway in urban areas — have been eligible for seventy-five percent aid from the Provincial Government on approved items of work. The Kitchener-Waterloo Expressway is the major example of a connecting link financed on a seventy-five percent basis (the maintenance of the Expressway is essentially the responsibility of the Province, but the cost is shared in the same manner as construction).

The result is a wide variation in the actual percentage of provincial assistance of total road expenditure by a municipality. In response to a questionnaire on road expenditures for the year 1965, each municipality reported its gross expenditure on roads, the amount of provincial grants, local taxation, and capital expenditure on roads financed out of borrowing for the year, and other revenue designated for road purposes. The Commission asked for this information because it is not available in its entirety in the financial statements of the municipalities, and because the relationship of provincial grants to total road costs can be a significant factor in a municipality's decision to seek a change in its municipal status.

The record shows that of the total expenditure for all roads purposes made by the City of Kitchener, fifty-eight percent was met through Provincial grants in 1965. The City of Waterloo received only seventeen percent of its road expenditures in Provincial grants, while the City of Galt had revenues from Provincial grants going to road work equalling thirty-nine percent of the City's total outlay for roads. The wide variation is accounted for at least in part by the particular major construction projects undertaken by Galt and Kitchener in that year. It is also significant to note that the road program is a major part of each municipal budget, particularly for the more

rural Villages and Townships where roads may represent close to fifty percent of the total annual budget thereby reflecting the significance of roads in rural areas and the limited demand for other services. The Department of Highways has been moving from a rurally oriented grant system geared to deficiencies in technical and financial resources, towards schemes for increasing grant support in urban centres, where the volumes of traffic per mile of road are greatest — as are acquisition, construction and operating costs. As a result, 1964 figures are no more than a rough guide to what may be the present position.

### County Roads

In the Area there are some 100 miles of roads, most of which have hard-top surfaces, that are the responsibility of the County of Waterloo and are generally referred to as "County Roads". The County Council "Roads and Bridges" Committee, consisting of five members of Council, considers and makes recommendations to Council on the County Road program. While any given municipality's responsibility for its roads ends at the municipal boundary, County Roads cross such boundaries, and so in a geographic sense these roads are inter-municipal.

The County Road Department, headed by a professional engineer, does all road work not contracted out and has a crew of some forty-four persons. In addition to work on County Roads, the County Road Department acts as the works department for each of the suburban commissions, as the latter do not employ any staff of their own. Some municipal work is also done on a fee basis by the County Road Department, from time to time, in places such as Bridgeport and Elmira.

In some of the urban areas, County Road work may actually be performed by the Town in which the County Road is located. Such work is negotiated or discussed by the County and the Town involved, with the County having the final voice in what work will be done. The Town does the work and bills the County.

The urban members (the Towns) of the County all pay the full levy for County Roads but then are refunded fifty percent of the road levy, apparently on the grounds that the urban municipalities do not gain as much benefit from County Roads as do their rural neighbours who have many more miles of County Roads.

In 1965, the County performed over \$1,000,000 worth of work in its road program (including approximately \$260,000 worth of

work done for outside municipalities and others, mainly the suburban roads commissions). Approximately sixty percent of the expenditure on the County Road and Bridge system came from Provincial grants in 1965.

### Suburban Roads

There are some 113 miles of roads in the Waterloo Area, all hard-topped, which are designated as suburban roads. They are not municipal roads (or, within this group, County Roads) nor provincial highways, but are under the jurisdiction of separate bodies which are entirely responsible for developing and carrying out the program of works for these roads. Appointments are for five year terms and there is no statutory limit upon the number of terms an appointee may serve. Municipal councillors or employees of municipalities are specifically prohibited from serving on these commissions.

The three suburban roads commissions in the Waterloo Area are the Galt Suburban Roads Commission, the Kitchener Suburban Roads Commission, and the Waterloo Suburban Roads Commission. On the Kitchener Commission the membership consists of five persons: two appointed by the City, two by the County and one agreed upon by the other four. The same general formula applies in the case of the Galt and Waterloo Commissions, except that in each instance the Commissions consist of only three members. The Galt Commission has authority over thirty-four miles of road; the Kitchener Commission, fifty-nine miles of road; and the Waterloo Commission, twenty miles of road.

Each commission sets its own budget and priorities and submits its financial requirement to the County Council, which in turn levies the County share and notifies the Cities of their contribution. Generally the sharing of suburban road costs, under the Highway Improvement Act, is twenty-five percent from the City, twenty-five percent from the County and fifty percent from the Province for each suburban roads commission. The Act further provides that limits may be struck for the amount of City financial participation (no more than the equivalent of  $\frac{1}{2}$  mill or, by agreement, 2 mills). Whatever the limit is, however, the County must match the dollar contribution by the City. The significance of these limits will change considerably as a consequence of reassessment to market value. The application of  $\frac{1}{2}$  mill upon market value assessment could raise the City financial share by four



times. The impact could be even greater for rural areas since the County must match the Cities' contribution.

In the base year 1965, the three Suburban Roads Commissions in total spent \$575,498. The Cities together contributed \$136,798 to this amount, and an equal amount was raised by the County for suburban roads purposes. A grant of nearly \$300,000 from the Province and \$5,258 (of miscellaneous revenue, for services, etc.) from other municipalities made up the balance of the revenue.

### **Other Forms of Provincial Assistance**

The Province through its Department of Highways offers technical assistance to the Cities, and, indeed, all municipalities where it is needed. In the case of the Cities, assistance is regarded as being available if the City feels the need of it. The Cities of course have professional staff; in the case of municipalities without professional personnel, the assessment of need is made by the Department of Highways which may insist upon giving technical advice and direction in the construction and maintenance of local roads. Department of Highways specifications are widely used in calls for tenders. The matter of co-ordination of road programs between municipalities is fostered by the County Needs Study and Traffic Studies, out of which rational scheduling and co-ordination of road programs are attempted over a wide area.

These attempts at co-ordinating the planning of highway development over a wider area have been of limited success, hence the apparent need for broadly based transportation studies such as the one being carried out as part of the Waterloo - South Wellington Study described in the Chapter on Planning.

### **Provincial Roads**

The main inter-urban road network of the Province has been the direct responsibility of the Department of Highways, except that those parts within the Cities were primarily the responsibility of those municipalities and designated as "connecting links".

When the Kitchener-Waterloo Expressway is completed, the Waterloo Area will have close to 100 miles of the King's Highway. As noted above, the expressway is within the Cities, but is primarily the responsibility of the Department of Highways. These roads are under the direct con-

trol of the Provincial Government and add another jurisdiction to the structure of road administration in the Study Area. Only three of the fifteen municipalities, the Villages of Bridgeport, Ayr and Wellesley do not have King's Highway mileage within their boundaries.

### **Criticism of the Roads System**

The foregoing describes perhaps the most complex administrative arrangements for any single function in all the local services. Each municipality has roads of its own. Each of the Townships has within it, in addition to its own roads, suburban roads, county roads and provincial highways. Each of these road systems in turn is subject to varying grants, confusing accounting and financial arrangements, and — most critically — to differing political authority. They are therefore, difficult to co-ordinate into any rational system of priority-setting.

Many times in the briefs presented to the Commission, municipalities (in particular) assailed the complex, confused financial and political structures concerning roads. Examples were given of little or no liaison between municipalities in working out their respective road programs. No liaison was evident between those responsible for public transit and those producing traffic studies and recommendations for road programs. Those preparing traffic studies, also, would base their estimates of traffic needs upon future land-use patterns and population predictions as seen by the municipalities for whom the studies were being produced. (The interaction between land-use and traffic patterns, however, does not stop at municipal boundaries. As a result the situation arose in which one municipality was literally planning a neighbouring municipality without consultation and certainly without authority, viz., Kitchener's inclusion of parts of Waterloo Township in its traffic study.) Another notable gap in the traffic studies carried out in the Area was the exclusion of the Town of Hespeler from any of them.

It is a curious comparison to note in passing that traffic studies of local roads in relation to the King's Highway are eligible for up to seventy-five percent provincial grants, while general local planning studies and activity are not eligible for assistance.<sup>1</sup> Having the scale for road grants related to municipal status means that desirable changes in status (including annexations) are

<sup>1</sup>With the exception that the Waterloo County Area Planning Board receives an annual grant of twenty-five percent from the Provincial Government, in which respect it is unique in the Province.



bound to be inhibited by the resultant loss in revenues. This happened in the case of Preston, which decided against applying to withdraw from the County largely because it could mean lower road grants while having to continue to support rural roads through a suburban road commission (which would have been the fourth in the County).

In a study prepared for the Ontario Committee on Taxation entitled "Intergovernmental Finance in Ontario: A Provincial-Local Perspective", the author observes that:

The rationale for differential grant treatment on this basis (municipal status) is totally elusive in that status is virtually devoid of meaning . . . It is tempting to speculate on the extent to which existing road grants have themselves assisted in draining municipal status of meaning; they create an incentive for urban entities to retain a rural designation. In any event, fiscal principles simultaneously demand and provide a basis for a general overhaul of road grants.<sup>1</sup>

While none of the Townships in the Waterloo Area has yet had the dramatic population expansion of Townships in the vicinity of Toronto, the problems of growth are already extensive, particularly in Waterloo Township.

The Commission would also agree with the suggestion put forward in "Intergovernmental Finance" that:

If there now exists any grant program that by its very essence is appropriately intergovernmental, it is that for roads. Roads are an indispensable adjunct of mobility and resource allocation and as such constitute a province-wide responsibility. In addition, the Province, through its gasoline taxes, is in a position to finance the benefits that accrue to road users. But by providing access, roads also confer property-related benefits and so are of concern to municipalities as well. Here then is a field where grants, and conditional grants in particular, are fully justified.<sup>2</sup>

Certainly the road programs put forward in the local traffic studies indicate that very substantial amounts of public funds will be sought for present and future road requirements. The proposals for the City of Galt would require more than \$13,000,000 to be carried out over twenty years. For Preston the figure would be about \$11,000,000 over the same period. Kitchener and Waterloo are engaged (in addition to an extensive general traffic improvement program) in building

an expressway that will cost an estimated \$60,000,000 by 1971. While the provincial Government will make substantial grants to these projects, local municipalities are faced with heavy demands upon local resources for road expenditures alone. The present municipal structure and organization and provincial grant arrangements relating to roads administration can only guarantee that no really co-ordinated road planning or equitable distribution of the heavy costs will result.

In its brief, the County of Waterloo (reasonably enough in view of its relatively high involvement in roads) had a good deal to say about the problems of road administration and policy. The County criticized the road systems as follows:

The system of building and maintaining roads and bridges within the county, for instance, is cumbersome and inefficient. The membership of the three suburban road commissions and the county council road and bridge committee comprises seventeen persons. These seventeen persons are responsible for policy-making for a road system of 211.65 miles (or 12.45 miles per member). The work force responsible for carrying out the work is only slightly double the number of policy makers.

Perhaps the worst feature is the fact that each of the road commissions and the council committee has its own priority rating system for work that is required. Each is financed individually so that there is no co-ordination of projects. The result is that a project with a high priority rating in one suburban road system may not necessarily have a high priority rating in the overall road program, but will be undertaken because each suburban road commission has autonomous authority. The present system also results in duplication and sometimes triplication of accounting, and administration procedures and costs, and a proliferation of meetings of policy-makers and administrators.

One illustration of the present system might underline the difficulties it presents. Although the three suburban road commissions and the county council are responsible for the work in their respective jurisdictions, the actual work is supervised and carried out by the county road department, operating under the direction of the county road superintendent. Records have to be kept to determine the amount of work done on behalf of each of the four jurisdictional bodies. In the case of a grader engaged in snow-clearing work, for instance, the operator may

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<sup>1</sup>Page 101.

<sup>2</sup>Idem.

arrive at a certain inter-section. If he turns to the left he will be clearing snow for the Waterloo Suburban Road Commission, if he turns right, he will be working for the Kitchener Suburban Road Commission. If he turns back, he will be working for the county road and bridge committee. Whichever move he makes, he must carefully record it so that the appropriate body is charged for the work carried out. Multiply this example numerous times and it is apparent that the cost of keeping such records and of administering such a system is wasteful and inefficient.

Lest it be construed that this system is a hallmark of the county operation, it should be pointed out that it results from provincial legislation, the Highway Department Act of 1917, which has been termed, and in our opinion, rightly termed, 'horse and buggy legislation'. The act provides for the establishment of suburban road commissions in areas where urban growth is spilling out of the cities into the surrounding countryside. The Legislature obviously felt, in making this provision, that the cities should pay something toward the cost of roads leading to, from and through the urban areas, presumably on the grounds that the existence of the cities created the need for such roads. The legislation makes it possible for a city to contribute a maximum of a half-mill from its tax rate toward suburban roads. The county matches the city's contribution, dollar for dollar. Because of the wealth of assessment in the cities, however, the half-mill contribution requires a levy of three or four mills on the county rate, if the amount provided for the cities is to be matched by the county.

In Waterloo County, the existence of three cities resulted in the establishment of three suburban road commissions. In applying existing legislation to this unique situation, the result has been wasteful, inefficient and unco-ordinated. The cities and the county, recognizing this, have attempted by means of a private bill of the Legislature to establish one suburban road commission with jurisdiction over all suburban roads. The attempts have been unsuccessful.

The major reason for the contribution of the suburban roads commissions is that they are a means whereby additional funds are made available for the improvement of main roads in the rural areas surrounding the Cities. The principle is sound, but relieving this through the means of the real property tax, while defensible in 1917, is most inappropriate in 1969.

The comment of the Select Committee on the Municipal Act and Related Acts (Beckett Committee) in its Final Report is relevant:

These commissions create friction between cities and counties, both because of this mandatory contribution by the cities and because the cities feel, with or without justification, that they have little effective say in their operation. If they are abolished, presumably, the county road grant would be adjusted.

At present suburban roads commissions constitute a fifth wheel in highway administration causing many anomalous situations as in Waterloo County where there are three such commissions.<sup>1</sup>

The effect of fragmented municipal jurisdiction upon local policy formation shows up clearly in the history of the Kitchener-Waterloo Expressway. As the Commission understands it, the idea of such an expressway first began to gather momentum around 1952, within the Kitchener-Waterloo and Suburban Planning Board. The municipalities of Kitchener, Waterloo and Waterloo Township began to acquire land along the right-of-way. The arrangements for land acquisition broke down, and eventually only Kitchener and Waterloo were co-operating, but with some difficulty. In view of the limited success achieved or expected from a co-operative approach, the two municipalities agreed to forego participation by additional municipalities, since the negligible financial assistance that could be expected of the latter would hardly be worth the delay they would create in reaching decisions. It is apparent that the two municipal participants that did co-operate did so in the expectation that the economic benefits of such a roadway would far outweigh the local financial contribution to the project. The City of Waterloo held the view that it desperately needed the Expressway to link its industrial area with Highway 401 in order that the economic development could be balanced. However, such a link-up required a westward extension of the Expressway. In the view of the Department of Highways, such an extension could not be justified in terms of traffic volume expected. The agreement between Kitchener and Waterloo then hinged upon the inclusion in the project of the extension desired by Waterloo. Kitchener agreed with the condition that the local cost of the entire Expressway project would be shared on a *per capita*, rather than an assessment basis.

A very good case can be made that more than just the residents of Kitchener-Waterloo benefit.

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<sup>1</sup>Page 145.



However, the fragmented policy-making system at the local level apparently has denied equity in the sharing of the "local" cost of this major arterial road.

### **Roads and the Waterloo - South Wellington Study**

In spite of the substantial effort being made to analyse road requirements, roads planning continues to be, in this Area certainly, a complicated and confused activity. This is so much the case that it was considered to be the lack of effective relationships among the urban traffic studies for Kitchener-Waterloo, Galt-Preston, and Guelph and the County Road Needs Study (now in preparation of a second Report) that motivated the comprehensive Waterloo - South Wellington Area Study. The Planning and Development Study Prospectus for that Study states on page six:

The recommendations of these (urban traffic) studies stopped at or near the municipal boundaries. It was recognized that an area highway study was needed to determine the area highway needs and more specifically to determine inter-urban highway needs in the 'triangle' formed by the urban centres . . . It was obvious that there was a direct relationship between area planning and development information required by the Department of Highways and the work that was being undertaken in the preparation of an official plan (the master plan of development) for the Waterloo County Area by the Area Planning Board.

What is of real concern to many of those making presentations to the Commission is whether, no matter how rational the results of such a comprehensive study may be, the advice or guidance of such a study can be adopted, in the case of roads, by the existing very fragmented road administrations. It is difficult to see the many Towns, Villages and Townships, the County and Cities, the suburban roads commissions, and the Province all agreeing to a master road plan for the entire Waterloo Area. The problem would be further aggravated by the confused application of provincial assistance. As demonstrated in the year 1965, there is anything but a uniform level of provincial grants when these are calculated against the individual totals of road expenditure for each municipality. Of course, the fact that provincial grants are available for "approved" projects means that many road expenditures which local authorities apparently may feel are important may not be eligible for provincial assistance.

### **Observations and Recommendations**

There is considerable evidence that there is a need for a more unified approach to planning land use and the inextricably related road patterns. But as suggested elsewhere, planning has two sides: concept and implementation. Unless changes occur in policy-making and execution, and unless new financial arrangements for the provision of roads in the Waterloo Area are forthcoming, the best conceived, area-wide plans for roads — and land use generally — will fall on unproductive soil.

Will local governments, however they may be reformed, be able to afford to build the kind of roads they need? Modern urban expressways are very expensive, with land acquisition matching construction costs dollar for dollar. They require as well technical competence that may be beyond the resources of some urban areas. The automobile is moreover a great contributor to the problems of air pollution. This then makes it even more important to turn the question from "what" expressways to "why" expressways.

Perhaps some better perspective of the urban environment is needed than that offered in circumstances where almost everyone gets about by automobile. It is apparent that when people have a choice they will opt for the convenience offered by the automobile. The economics of the automobile are something else.

Unfortunately in the present circumstances of overlapping and fragmented jurisdictions, it is difficult to look at even the problems of highways as a coherent whole: the difficulties of seeing highways in the context of the needs of the community as a whole are almost insurmountable.

The existence of suburban roads commissions can no longer be justified. Their responsibilities should become part of the county roads department. If necessary an adjustment should be made in road grants from the Province to offset the loss of revenue from the city.



## CHAPTER TEN

### PUBLIC TRANSIT

There are two municipally operated bus systems in the Waterloo Area. One is operated by the Kitchener Public Utilities Commission, which holds the transportation franchise for the City of Kitchener and, through a franchise agreement, also operates its buses in Waterloo. Under this agreement, the Public Utilities Commission is required to provide public transit services at the request of Waterloo, while Waterloo agrees to pay the Commission an average cost per mile serviced in the City less the fares collected by the Commission on such serviced routes. The Kitchener Public Utilities Commission has a membership of four, all of whom are elected. Waterloo has no representative on this public board, which is responsible for providing its bus service.

The other municipally-operated bus system is located in Galt and operated by the Galt Public Service Commission, whose members also serve as the Public Utilities Commission. In Kitchener and in Galt the Public Utilities Commissions are bodies elected separately from, but at the same time as, the municipal councils, and both provide service that is not under the direct authority or control of the municipal council.

The Galt bus service provides public transportation to about 800,000 passengers annually, fifty percent of whom are students. The buses serve some but not all residential, commercial and industrial areas of the city on a twenty to thirty-minute schedule from early morning until late evening. Fares were increased in late 1969 to twenty and fifteen cents cash, for adults and students respectively.

In Kitchener-Waterloo, buses operate on a frequency of service ranging from five-minute intervals on main line routes at rush hour to twenty minutes on the main and secondary feeder lines. Some parts of the schedule do not operate in low passenger periods. The system had at the time of the preparation of the Data Book some 114 employees and seventy-six vehicles. The Kitchener system carried in a peak month nearly as many passengers as the Galt system carried annually (about 800,000). Adult fares are six tickets for one dollar or twenty cents cash; children's fares are three tickets for twenty-five cents or ten cents cash.

No areas other than Galt and Kitchener-Waterloo-Bridgeport have municipal bus service.

Bus service in and between other municipalities is provided by private carriers. By this means persons wishing to go from Galt to Preston, Kitchener or Hespeler may take buses operating roughly on a one-half hour interval to Preston and slightly longer intervals for service to Kitchener and Hespeler and Guelph. This bus service is provided by Canada Coach Lines Ltd., and Gray Coach Lines Ltd., on their through buses.

One local company provides an hourly service between Galt-Hespeler, and another local company has started a Kitchener-Waterloo Township-Hespeler service on a trial basis, making the run twice daily. Except for inter-urban buses, there is no other public transit apart from school buses operated by, or on contract with, the Waterloo County Board of Education.

It is apparent that both municipal systems operate on the basis of a "fare-box" financial policy. Both systems have been known to remove bus routes which prove to be "uneconomic" or for which fares do not carry the bulk of cost of operations. Both systems, Galt's and Kitchener's have recently shown operating profits. In June of 1968, Kitchener's fare increase of five cents was blamed for a sudden reduction in bus use.

It became evident during the Review through interviews and submissions that there is no apparent serious attempt as yet in this area to integrate policy on public transit and roads. Managers of both the Galt and Kitchener bus systems informed the Review that neither had been consulted at the time that traffic studies were being conducted. Traffic studies only indicate the number of people to be moved by public transit as a statistical factor of ten or twelve percent and no appreciable account of public transit is taken in the overall design of the traffic system.

There have been signs of a belief in some quarters that decisions regarding public transportation should be made on considerations other than the net cost to the transit operator, thus taking greater account of public urban transportation as an instrument of social policy. Kitchener's Planning Director stated at the Review's public hearings that he believed that more funds for research should be made available to enquire into the possibilities of expanding the usefulness of public transit. In September, 1968, criticism was directed at Kitchener council by a member of the Kitch-

ener Public Utilities Commission who felt that with proper planning a major transit system could be developed, which would result in the saving of millions of dollars for taxpayers.

The City of Waterloo in its brief to the Commission argued that "... co-operation between the Cities of Kitchener and Waterloo on the provision of bus service has worked reasonably well in the past. However, we feel that the system could be better administered and capable of expanded service were it to be controlled by an area government body." The brief went on to say that only municipalities which benefit would be expected to pay any of the costs.

The Kitchener Planning Board appealed for better co-ordination of transportation policy and greater financial assistance from the provincial and federal governments "for the operation, research and experimental projects . . . . It is our opinion that an integrated transportation system at the top level of a two-tier or a large-tier system is necessary." These things were proposed in an effort to achieve the ability "to move people more quickly, easily and perhaps more economically than 6 and 8 lane roads."

The comment in the briefs and at the hearings seemed to suggest that at the present time the circumstances were such that public transit could not play an important role in overall transportation policy. The comment from the City of Waterloo was thus that studies of road needs were called traffic studies rather than the more all-embracing term "transportation" studies. The figure of 500,000 population was used, implying that this was the minimum figure upon which might be based more sophisticated modes of public transit. The Town of Preston in its brief felt that bus transportation ought to be left as it is, and further suggested that it was not a service of Area significance. The Township of Waterloo, however, in its brief was more concerned about the future of the mobility of people and stated, "If this area is not to suffer motor strangulation, public transit of all kinds must form an increasingly large part in the future total transportation facility . . . the urgency for a plan to co-ordinate and expand these facilities cannot be over-emphasized (and) . . . should include co-ordinating all transportation facilities into a comprehensive transportation network and planning for future transportation needs, including road, rail, commuting, public transit and air service." The City of Galt also foresaw a continuing need for expanding service and policy formation: "The Regional Council

should concern itself with transportation problems of a regional nature while gradually assuming responsibility for public transportation of every kind."

At present there is relatively little movement of people by public transit between the respective communities, except for the compact Kitchener-Waterloo-Bridgeport area. In part this is a comment on the strength of the ties between the various parts of the Area, but also, in the absence of a good public transportation network, the development of ties is impeded.

If public transportation is to be viewed as a major influence in shaping the character of the community and the kind of development in its various parts, then transportation finance should be viewed in relation to other public expenditure. This presumably would mean an abandonment of the "fare-box philosophy" and an adoption of the approach that subsidies for transit would result in a net saving over subsidies for roads and parking.

In its implementation, transportation policy will have a heavy impact upon financial resources. This will require a rational approach to establishing a broad program in order to make the most effective use of available funds. The present system of transportation decision-making appears to be un-coordinated and severely fragmented. If an integrated policy for major streets, traffic control and related planning is to be effected, it would appear that the role of the "fare-box" should be revised and tax support accepted as a useful financial instrument in framing transportation policy. This, in turn, begs the question of policy control and whether or not it is more appropriate that a duly elected council with responsibility for allocating all local resources should be in control of, among other things, transportation policy, rather than a special-purpose body which has no taxing authority and is not required to relate its expenditures to the requirements of other services. The kinds of transportation facilities established will have a great bearing on the direction and extent of growth in the area and, of course, the quality of life of the community. The integration of such important facilities into an overall concept for the community will not be advanced if it is undertaken by an *ad hoc* or special-purpose body. It must be undertaken by a body that has a wide view of what the community should be as the result of policy for many services, not just one.



The "box" theory of government, whereby each service is directed by a separate policy-making body, will not accomplish the kind of results a rapidly urbanizing society requires.

A transportation policy which consists simply of a network of expressways will not only pile more people upon more people and thereby exert heavy social cost but it will also succeed in creating added financial burdens upon an already heavily-laden property-tax base. Construction and acquisition dollars are not the only financial cost related to roads. As expressways broaden and lengthen across the municipality, the taxable assessment of the expressway site is pre-empted and lost for a very long time in favour of benefits which are not always easy to measure.

#### **Rail Transportation and the Influence of Metropolitan Toronto**

In another aspect of transportation, more in the nature of inter-city communication, reasonably good railway passenger service to the east and west is provided through Kitchener and Guelph by Canadian National Railways and through Galt by Canadian Pacific. Through Kitchener and Guelph, Canadian National operates four westbound trains to Stratford and Sarnia or Windsor and three eastbound trains to Toronto. An additional two trains eastbound originate in Guelph, and one westbound terminates there. The daily service by Canadian Pacific now provided to Galt is a dayliner service coming from Windsor each morning to Toronto and returning each evening.

Proximity to the Toronto metropolitan area is having some effect upon the rail service and will have more in future. Guelph fell within the Metropolitan Toronto Transportation Study completed in 1968, and some of its alternative proposals foresaw major developments in Guelph. Certainly, if the proposals for improved transportation to Guelph were carried out, and if the major increase in the population of Guelph which is projected in that study occurs, the effect will be to create strong ties between Toronto and Guelph and thus bring the Waterloo Area increasingly under the influence of Metropolitan Toronto.

#### **Observations and Recommendations**

The fragmented nature of public transportation facilities in the Area is partly a result of the history of private firms providing inter-urban bus service in the Area. It is also an indicator of how strongly, or loosely, the various local communities are related to one another.

The loose division of responsibility for transportation between utilities commissions, municipal roads departments and planning boards is also a factor which inhibits consideration of transportation requiring a number of alternative forms, as a whole. Not enough details are yet available to judge the significance of the Province's recent proposals to assist various forms of transportation, except that it does place public transportation in a wider perspective.



## CHAPTER ELEVEN

### ELECTRICAL DISTRIBUTION

All the urban municipalities of the Waterloo Area have Commissions which are responsible for local distribution of electric power. These bodies, called Public Utilities Commissions in the Cities and Towns, except for Hespeler's which is called a Hydro - Electric Commission, are composed of from three to five members, including the head of council *ex officio*. The members are, other than the head of council, elected at the same time as the regular civic elections and may not be members of council.

The Public Utilities Commissions have multiple responsibilities. The Public Utilities Commission in Galt has responsibility as well for water supply and distribution and for the public transit system. The Kitchener Public Utilities Commission is responsible for public transit and for gas distribution as well as electrical distribution (water comes under a separate commission discussed elsewhere). In the City of Waterloo, the Town of Elmira and the Town of Preston, the respective Public Utilities Commissions are responsible for both electrical distribution and water.

In the Town of New Hamburg, the Public Utilities Commission is appointed by council and has responsibility only for electricity — water is under the control of the municipal council. Except for calling it a Hydro Commission the situation is essentially the same in Hespeler. In the Villages of Ayr and Bridgeport and the Police Village of Baden, a commission is responsible for electrical distribution. The Village of Wellesley has a Hydro Commission appointed by Council. In the rural parts of the Area the electrical power distribution is provided by the Rural Operating Area of the Ontario Hydro Electric Power Commission's office at Guelph.

It was suggested to the Review Commission that the difference between rural and urban rates for power to the consumer is from eight to ten percent (higher in the rural areas). This is due essentially to the lower cost per household because of proximity and lower costs of lines, poles, etc., per customer. The rate charged (see Table 11-1) for urban users is basically the same rate as that from the Ontario Hydro Electric Power Commission, and variation from this depends upon load and voltage factors. In urban areas some further efficiency is possible, such as economies in billing (especially where other utilities are included).

In some cases, as in Kitchener and Waterloo, transformers worth about one million dollars apiece are owned by the local commission, whereas Galt has not paid out this amount but depends upon the Ontario Hydro Electric Power Commission for such service. Some saving is made by those with their own transformers because they may control voltage and load efficiency to meet their own needs.

Where two or more commissions are operating side by side, it has been suggested that certain economies might be made if they worked jointly. In the Galt-Preston-Hespeler area, for example, the purchase of a transformer to serve all three might be appropriate, and a more efficient use of personnel and equipment would be possible. One utilities manager suggested that the effective operating area was that which could more economically be serviced in terms of construction and maintenance of lines, inspections, etc. from an urban centre rather than by alternative means. This criterion is at variance with the economics of distribution, where rural rates are higher because of the lower population density. There is however, no real reason why a utilities commission could not have a separate rate structure where there are extensive rural areas within their jurisdiction, essentially following the practice of Ontario Hydro.

The Galt-Preston-Hespeler and the New Hamburg-Baden Commissions have discussed various means of co-operation, such as standardization of equipment, joint purchasing and co-operation in specialized services with some success.

As can be seen, public utilities commissions' responsibilities may be many and varied. Their reason for their separate identity is based on an element of special pleading. In particular it has been argued that electrical distribution is such a complicated subject that one is required to have special knowledge to do the job well. This argument seems somewhat weakened when it is considered that in the final analysis it is the Ontario Hydro that sets standards for operation and rules on financial practices, including rates.

The establishment of the public utilities commissions is a good example of how special arrangements which may be justified at one time can become entrenched and a set of vested interests created.

When the utilities commissions were first established about sixty years ago the application of electricity in manufacturing was relatively new, and its availability was considered so critical to the well-being of a community that municipalities either bought out existing private companies or pioneered the provision of electrical services themselves. Out of these local initiatives came the Ontario Hydro Electric Power Commission, as a co-operative agency for the generation and distribution of power to local commissions.

Today the circumstances are quite different. Electrical power is now so widely used as to be almost taken for granted. It is not that there are no special problems, but that many of the main policies and practices have been established. At the local level, electrical distribution has ceased to be a matter of public debate, the Commissions being largely concerned with administrative and executive matters.

Similarly the Ontario Hydro Electric Power Commission is now in effect a crown corporation, and the co-operative aspect, while still significant, has been overshadowed by the growing importance of Ontario Hydro as the body establishing standards and practices.

Electrical distribution is probably the least related to other services of all local government activities. Integrating it with other activities has obvious advantages in economizing in accounting, purchasing and other administrative matters, as has in fact been done in the instances where utilities commissions have also been given responsibility for water supply, public transit and gas distribution. It is also clear that some of the commissions such as Baden and Wellesley are so small as to be very limited in their resources, and one suspects that the main reason for their existence is that because of certain features of Ontario Hydro's rate structure, establishing a commission results in lower local power rates. Unfortunately none of the local commissions appeared at the hearings, and consequently information on some of these points is limited.

Three comments may be offered. The first is that the technical nature of electrical distribution and the pervasive nature of the controls by Ontario Hydro is such that, even if electrical distribution were to be made a direct local (or perhaps even a provincial) responsibility, the consequences for the standard of service would be very slight — municipal electrical departments appear to function quite satisfactorily in other Canadian jurisdictions. There could be some substantial benefits in integrating accounting, certain purchasing and

other administrative procedures, and in having common personnel policies and practices.

The second aspect is that there is no discernible reason why electrical distribution should be selected, from among the great range of local services under various boards to be an elected rather than an appointed body. The result is to complicate the electorate procedures, and there is no evidence that the electorate takes any great interest in the Utilities Commissions elections, at least in the urban municipalities, with the result that the same members get returned almost automatically year after year.

A third problem relates to capital finance. Although the utilities are in effect self-supporting, and indeed have accumulated substantial surpluses, their debt appears to be lumped in with all the other debt which is a direct liability on the taxpayer. The result appears to be a distortion of the capital budgeting process in that utility debt is included in the calculations of allowable debt for a municipality, so that if money is borrowed for utility purposes, it results in a reduction in the amounts that may be borrowed for other purposes. The result must often be a distortion of the capital financing process.

### ***Observations and Recommendations***

It is difficult to understand why a municipal council with the aid of managerial people competent in electrical matters could not act as guardians of the local public interest with respect to relations with Ontario Hydro. Under the Statutes of Ontario (the Public Utilities Act), the property related to electrical distribution is clearly vested in the municipal corporation, *not* the Public Utilities Commission.

The division of policy responsibility again, as in other fields, leads to unwieldy policy-making and clouds the issue of responsibility.

#### ***Recommendations***

1. That operations of utilities commissions become a direct responsibility of the municipal councils, possibly functioning through a committee of council.

2. That if the abolition of commissions is not acceptable, then the commissions should become appointed rather than elected bodies, and that councils have some degree of control over the administrative aspects of their operations so as to achieve economies, and follow uniform practices throughout all the local government services in an area.

Table 11-1

**COST OF HYDRO SERVICE TO MUNICIPALITIES  
IN THE WATERLOO AREA 1967**

Municipality	Pop.	Customers	%	Average Cost per Kwh.		
				Resid. Service \$	Comm. Service \$	Indust. Power Service \$
Cities						
Galt	33,908	10,636	31.4	1.18	1.33	0.92
Kitchener	94,956	29,860	31.4	1.06	1.23	0.92
Waterloo	31,296	8,798	28.1	1.15	1.19	0.97
Towns						
Elmira	4,165	1,433	34.4	1.11	1.54	1.02
Hespeler	5,505	1,739	31.6	1.16	1.54	0.86
New Hamburg	2,466	864	35.0	1.07	1.50	1.48
Preston	13,533	4,166	30.8	1.11	1.43	1.01
Villages						
Ayr	1,119	417	37.3	1.07	1.54	1.64
Bridgeport	2,103	601	28.6	1.25	1.46	2.02
Wellesley	728	314	43.1	1.23	1.50	2.14

Source: 1967 Annual Report of the Hydro-Electric Power Commission of Ontario.



## CHAPTER TWELVE

### HEALTH SERVICES

#### The Waterloo County Health Unit

The Waterloo County Health Unit, servicing a provincially designated health district, was established in April, 1968. It resulted from the amalgamation of the Kitchener Board of Health, the Waterloo Board of Health and the Waterloo County Health Unit which, along with the municipalities of Waterloo County, included Galt. The union was encouraged by the 1967 Amendments to the Public Health Act which provided financial advantages to those health units amalgamating to form designated health districts. Waterloo County provides the basis for one of twenty-nine such health districts in the Province.

Prior to the 1967 Amendments, the Cities of Kitchener and Waterloo both had boards of health. Kitchener received a twenty-five percent provincial operating grant, since it provided health services involving full-time qualified staff. Waterloo, however, received no grant since its medical officer was employed only part-time. The County Health Unit at that time served the County as well as the City of Galt. Since it was a joint health unit and employed full-time professional staff, it received a fifty percent operating grant from the Province.

The main provisions of the 1967 Amendments to the Public Health Act were:—

- that all municipalities not at present providing full-time public health services were required to establish a health unit or join an existing unit.
- that the Province would pay a twenty-five percent grant for operating costs to municipal boards of health which provided satisfactory health services involving full-time qualified staff.
- that grants to cities within health units would be raised to the level of fifty percent, which had been paid previously only to rural municipalities within health units.
- that the formation of health districts incorporating several health units would be encouraged by the introduction of a seventy-five percent grant by the Province for operating costs to such districts.
- that the Province would pay two-thirds of the capital costs of the health districts.

Following these amendments and after considerable soul-searching, first Waterloo (in Janu-

ary 1968) and then Kitchener (in April 1968) joined with the County Health Unit to form the Waterloo County Health Unit.

The new Waterloo County Health Unit now became eligible for the seventy-five percent grant towards its operating costs. This means a considerable saving in relative sharing of cost by each municipality. The Health Unit levies a *per capita* charge from all member municipalities. In 1967, prior to the amalgamation, the provision of health services cost Waterloo \$2.03 *per capita* (no grant), Kitchener \$1.59 *per capita* (twenty-five percent grant) and the County which included Galt \$1.11 *per capita* (fifty percent grant). It was calculated at that time that if the health units joined together, and thus became eligible for the seventy-five percent grant, the *per capita* cost of health services for each municipality would drop to about eighty cents.

The Waterloo County Health Unit has now been in operation for more than a year. It is run by a ten-member appointed board composed of three provincial appointees drawn from the area, three members appointed by Kitchener Council, two by County Council, and one each by Galt and Waterloo. The provincial representatives are appointed for three-year terms while the municipal members are appointed by each new council i.e. of Kitchener, Waterloo and Galt for two-year terms and of the County for one-year terms. The appointees may also be elected or lay representatives, although at present there is only one member of the board who is also an elected representative. One of the provincial appointees has been elected chairman. The headquarters for the Health Unit is located in Kitchener, with another office in Galt. The former Medical Officer of Health for Kitchener has been appointed Chief Medical Officer of Health for the County Health Unit.

The 1969 budget for the Health Unit was \$778,550. With the seventy-five percent provincial grant, the cost to the municipalities amounted to only \$194,637, or about eighty-five cents per head. More than three quarters of the budget was allocated for staff salaries and benefits. The present staff of the Health Unit totals eighty-five people and consists of four medical doctors (including the Medical Officer of Health and the Director of School Health Services), two dentists, one veterinarian and forty-three nurses.

The County Health Unit is concerned with the collection and recording of births, deaths and morbidity; the control of communicable diseases; environmental sanitation, such as food processing and retailing and sewage disposal;<sup>1</sup> personal services, such as pre- and post-natal care, child health and immunization clinics, school medical services, and dental services. In addition the Health Unit is responsible for the licencing of nursing homes, day nurseries and tourist camps, and the investigation of nuisances and complaints. Local by-laws which even remotely contain references relating to community health such as plumbing, air pollution and garbage collection often include clauses involving the Health Unit.

The substantial grants that the Provincial Government now directs to public health activity clearly underline the importance attached to these programs by the Province. Where just three years ago some cities received no provincial aid for their public health services, cities may now receive the seventy-five percent provincial grant. It is apparent, however, that many municipalities did not realize that increased grants were meant to imply and bring about improved standards and costlier programs. One of the reasons the Province increased its grants was for the stated objective of upgrading public health practices generally, and this meant greater overall expenditure. The present grant system reflects, again, a provincially chosen field of local need in which the Province takes the lion's share of the cost but to which municipalities must contribute a significant share.

### Hospitals

There are three major General Hospitals in the Waterloo County Area, namely: the Kitchener-Waterloo Hospital, a municipal hospital with the Cities of Kitchener and Waterloo and the County of Waterloo making appointments to its Board and being responsible for its financial support at the local level; St. Mary's General Hospital, also in Kitchener, which is operated by the Sisters of St. Joseph (Diocese of Hamilton) and has a Lay Advisory Board of fifteen members, three of whom are appointed by the Cities of Kitchener and Waterloo and the County; and the South Waterloo Memorial Hospital, located in Galt, which is a private corporation, although the City of Galt, the Towns of Hespeler and Preston and the Township of North Dumfries may approve

<sup>1</sup>By private individuals, mostly the installation and operation of septic tank systems.

the election of sixteen members of the Board of Directors (See Table 12-1).

In addition, there is the Freeport Sanatorium in Kitchener and the Elmira Private Hospital.

The Provincial Government pays two thirds of the capital costs for hospitals. The remaining third is borne locally. The operating costs of the hospitals are covered by the Ontario Hospital Insurance Plan.

In late 1968 the Waterloo County Hospital Planning Council was set up, consisting of four representatives from each of the General Hospitals and the Freeport Sanatorium. This Council provides a means of exchanging ideas and avoiding duplication of services. To further this end, the Ontario Hospital Services Commission requires that member hospitals submit expansion plans to the Hospital Planning Council as well as to the Commission.

In the matter of capital cost, the amounts expected through either municipally-allocated aid or private donation can be substantial when measured against other local capital needs. The lines of control that municipal councils hold over such expenditures is indeed tenuous, in spite of the municipally "approved" board members. The point is not that there be any objection to the vital provision of hospitals but rather that the share left here for municipal coffers to meet is one more charge upon a limited tax base.

### The Victorian Order of Nurses

In the Waterloo County Area, the Victorian Order of Nurses (a private, voluntary organization) operates through two branches, namely those of North Waterloo and South Waterloo. The North Waterloo branch serves the Cities of Kitchener and Waterloo, the Towns of Elmira and New Hamburg, the Village of Bridgeport and the Townships of Wellesley, Wilmot, Woolwich and part of Waterloo Township. The South Waterloo branch provides service to the City of Galt, the Towns of Hespeler and Preston, the Village of Ayr, and the Townships of North Dumfries and that part of Waterloo not served by the North Waterloo branch.

The primary function of the Order is to provide skilled nursing care through visits to patients in their own homes, and to combine this care with health teaching to the patient and family. A total of fourteen nurses is employed by the two branches in Waterloo County.

The North and South Waterloo Victorian Order branches are financed through three main



sources: fees for service, grants made by municipalities, and voluntary funds raised through the Order's own local campaigns, Community Service Fund (Galt) or Federated Charities (Preston). The Victorian Order of Nurses does not participate in the Federated Charities of Kitchener and Waterloo. Each branch is responsible for financing the service in its area.

The Victorian Order of Nurses is one of those highly valuable service organizations that rely upon a variety of financial resources to carry on their important work. In an attempt to make its operation more efficient, the Order took the initiative of re-organizing Waterloo County into the two branches (January, 1967), North and South. These larger units, said the Victorian Order of Nurses' brief to the Commission, are found to be more efficient, with better utilization of nursing personnel who have varying levels of experience. "Reorganization results in improved quality of care to the patients. A well administered large branch does not cost less money to operate." The raising of money is still a problem and presents a confused picture. There is a lack of uniformity in the manner in which grants are made to the two branches in the Waterloo Area. The Homemakers' and Nurses' Services Act is proving valuable to the Victorian Order in financing service to persons who qualify, under the Act, for payment. The legislation is permissive, however, and not all municipalities in the County have implemented the Act, nor do all that have participate to the extent permitted in the legislation.

The inconsistencies in and variety of sources of financial support are illustrated in Table 12-2. In the Kitchener-Waterloo area the majority of the funds are raised through grants and payment for services by municipalities (taxation), while in Galt-Preston-Hespeler about one-quarter of the financial support is tax money, another quarter being raised through voluntary funds. When so much tax support is going to a so-called private organization, questions of accountability and public control are raised again. Should such an organization be told to find its own sources of revenue other than taxation? The vital rôle of the V.O.N., integral to a well-rounded community social and health service, should be recognized and nourished in new organizational and financial relationships with local government.

### **Observations and Recommendations**

As in the case of the Conservation Authority, the rôle of the three provincially appointed mem-

bers of the Board of Health is obscure. What is more, as one studies the wide inter-connection and inter-relationship between health services and other activities of importance in the community, one is struck by the relative isolation of the policy-making body (the appointed board) from the others who make decisions in the related activities.

The close relationships between the public health program and other matters vital to the community are many, as the brief presented by the Board of Health for the City of Kitchener points out. In its summary, the brief states that "the Health Unit or Department of Health occupies a central position in the life of any community. Its ramifications and associations with welfare, education, recreation, have brought it to the point where its interests may be said to be not merely in the area of Health but in the area of Human Development. Because of this a modern Health Unit must be sensitive to any interferences with Human Development and either initiate means to correct those deterring factors or at least enter into discussion or give support to other agencies who may be striving to correct them."

If the matters raised here are as vital as is suggested, will discussion offer sufficient guarantee that they will be dealt with in a suitable manner? Does not the integral fabric of the community life described in the brief also imply that a more integral decision-making procedure should be established? The central question must be: if the modern Health Unit is *not* "sensitive to any interferences with Human Development", or if the general health of the community is *not* successfully sustained, how does the public go about seeing that it is?

The character of the health services being provided and the ways in which they are made available to the community is obviously changing, with the rising standard of care and increasing governmental financing of health services. For local governments it has become evident in the functions of the medical officer of health and his staff. Some of the functions have been taken over by the province starting with the setting of standards in milk processing and water purity. The powers with regard to standards of housing were never very strong, and in time will no doubt be absorbed in more general by-laws governing minimum standards. A good deal of the traditional work in connection with infectious diseases have been overtaken by medical advances. These transfers of function is an essential part of the improvement in the quality of public services. The relevant question today is, has the medical office



pioneered in new areas as changes in need become apparent? The general conclusion must be a modified yes. The qualification that must be made is that as the medical advisor of the municipality, he should be commenting on the health aspects of a wide variety of public activities including the deficiencies in health services in the area, the problems of health in the urban environment, on the particular health needs of the aged.

Instead the emphasis tends to remain within the traditional pattern of preventive medicine and medical services in the public sector such as the school health service.

In part at least the blame must be laid on the isolation of the public health services from the other local government bodies — an isolation which has in many ways been reinforced by there being sixteen municipalities, all of which have activities related to health, but only one health unit. It is perhaps symptomatic of the situation that it is proposed to build the new health unit offices near the boundary between Galt and Preston and over a mile from the office of any other local body.

Table 12-1

NUMBER OF HOSPITAL BEDS AVAILABLE IN THE WATERLOO  
COUNTY AREA, 1968

Hospital	Active Treatment	Chronic	Convalescent	Total
<b>Elmira</b>				
Elmira Private	17			17
<b>Galt</b>				
South Waterloo Memorial	267			267
<b>Kitchener-Waterloo</b>				
Freeport Sanatorium		73	15	88
Kitchener-Waterloo	327	111		438
St. Mary's General	372			372
Total Available	983	184	15	1,182

Number of Additional Hospital Beds Under Construction in the Waterloo  
County Area 1968

Hospital	Active Treatment	Chronic	Psychiatric	Total
Kitchener-Waterloo	562	111	60	733

Table 12-2

VICTORIAN ORDER OF NURSES  
NORTH WATERLOO AND SOUTH WATERLOO BRANCHES

Source of Revenue for 1966 by Percentage for Each Branch  
Located in Waterloo Area

	North Waterloo %	South Waterloo %
<b>Nursing Fees</b>		
Fees from Patients	25.2	32.0
Homemakers' and Nurses' Services Act	6.0	9.7
<b>Grants</b>		
City of Kitchener	53.8	
City of Waterloo		
Other		
City of Galt		24.4
Town of Preston		
Town of Hespeler		
Other		
<b>Community Chests</b>		
City of Galt		28.3
Town of Preston		
<b>Fund Raising Activities</b>	4.4	3.8
<b>Income from</b> bequests, sale of bonds, special funds, bank interest, etc.	10.6	1.8
<b>TOTAL</b>	100.0	100.0

## CHAPTER THIRTEEN

### SOCIAL SERVICES

#### Welfare

The effects of rapid growth, the change in the characteristics of population and industry, have altered the fabric of society. These changes in turn have been accompanied by increasingly serious social disorganization, the singular of which is much greater upon some individuals and parts of society than others. Such conditions as job insecurity, family dislocation, inadequate housing, family breakdown, disorientation of youth, insecurity of aged, mental illness and crime are recognized as being related to the changed nature of the world we live in. These problems have serious effects upon the community at large, and different groups at different times have felt that solutions must be found by the community, not left to individual efforts and charitable organizations. Yet the resulting attack upon anything as complex as social problems takes many forms and comes from many sources and certainly is not yet comprehensive.

Governments see, at times with clarity, at times with difficulty, at times not at all, the role they can play in assisting those who are in distress from social or physical causes. Both the provincial and local governments take an important part in attacking the problems of the needy. But their services by no means cover all of the vital areas of social service. (Indeed, many argue that they do not deal adequately with even those problems that they have taken as their responsibility.) A great variety of needs are recognized and efforts are made to meet them by private or voluntary agencies — those operating outside the public or governmental sphere. The framework of the total welfare or social service program is difficult to define and the limits of service and division of responsibility are unclear. To say that social service is essentially a three-unit structure (municipal, provincial, private) is to over-simplify the description (quite apart from the basic federal involvement through the Canada Pension Plan, Family Allowance, etc.), for the complexities within the so-called units are almost endless. This can easily be seen in outlining the welfare services at the municipal level.

#### Municipal Government and Welfare

Those categories of welfare activity in which

municipal government is engaged may be described as providing, essentially, financial assistance to persons in need of general welfare help — that is, unemployed persons or persons requiring nursing home care, homes for the aged, or home-making and nursing services.

Considerable financial aid is provided for locally-administered welfare programs by the Provincial Government. In almost all instances of approved general welfare assistance, municipalities may recover eighty percent of the cost of their welfare service (fifty percent for certain optional services) from the Provincial authority (half of which in turn is recovered by the Province from federal authorities) leaving the municipality with twenty percent of the cost of mandatory service (i.e. the services the municipality is obliged to provide to eligible applicants). The municipalities are required to meet the entire cost of local administration related to the welfare service, and this cost therefore is excluded from grant calculations. One of the reasons for this, presumably, is to eliminate any argument about deciding what costs in general administration are properly assigned to Welfare Administration.

The rules for determining eligibility for assistance through municipal programs are laid down, essentially, by the Provincial authority. However, the application of these rules (the important decision as to who is, under the rules, eligible for welfare aid) is left to local interpretation, and certainly the staffing arrangements (that is, who will in effect carry on the welfare program) are a matter for local determination. Decisions such as these are the direct responsibility of council. There are no council-appointed special-purpose bodies to which councils may turn for advice on welfare matters within the present scope of municipal service (there are however many voluntary bodies concerned with welfare who provide certain kinds of assistance and who do give advice).

As noted, each council determines the staff arrangements it considers to be necessary for its own program. The Cities of the Waterloo Area are the only municipalities that employ full-time welfare staff. In the Towns, Villages and Townships, in only two instances are there employees for whom welfare administration is a prime responsibility. In the case of Waterloo Township, the welfare administrator spends time on other civic duties in addition to welfare service. In the



case of North Dumfries an employee of the Township now has the welfare case-load to handle exclusively, although it is not a full-time job. In all of the remaining municipalities the Clerk or Clerk-Treasurer usually performs the duties of welfare administrator.<sup>1</sup> As administrative arrangements vary among the municipalities, so do the numbers of persons, or case-load, served. The Cities, reasonably enough, had the most cases at the point in time covered by a Commission questionnaire on the subject. In October, 1966, Galt had 228 cases; Kitchener, 259; and Waterloo, eighty-nine. At the same time in the Towns, Villages and Townships no case-load exceeded twenty-eight (Preston) while most counted less than ten cases.

Many cases served involve family problems resulting from desertions, separations or divorces, or the imprisonment of the head of the family. Financial aid is also given to families whose incomes have been reduced by illness. Indeed, these cases represent a very heavy proportion of those receiving aid.

It is noteworthy in these circumstances that nowhere in the administration of municipal welfare are trained social workers employed. None of the municipalities in the Area employ professional workers who have university degrees of any kind in social work, psychology or psychiatry.

Permissive legislation (the General Welfare Assistance Act) provides that the County can assume responsibility for welfare by agreement from the constituent municipalities. The Commission understands that one reason why the County has hesitated to enter this field is that it is awaiting the outcome of general municipal reforms that are expected for the Area. The County now participates in welfare in a limited way, in its involvement with homes for the aged in the County (which are discussed under public housing).

The total amount expended on municipal welfare in 1965 was approximately \$800,000. This figure for welfare represents about four percent of the total gross local municipal expenditure for all municipal services. When Provincial Grants of some \$300,000 are deducted, the municipal financial involvement is very small and is essentially directed towards child welfare (in 1965, \$350,000). Recent changes in grant legislation have increased provincial responsibility for the cost of child welfare.

Municipalities may engage in other welfare activities which are not eligible for grant support. These do not amount to much in terms of money but are of great importance to the individuals affected as they are usually "residual cases" which do not fit into any established assistance category such as emergency housing and subsidizing voluntary agencies working in related areas such as family counselling.

In an article appearing in *The Municipal World*, March, 1968, J. G. Atwood (Director of Welfare Services, City of Hamilton) expressed the opinion that in spite of the legislation removing long-term welfare cases from municipal jurisdiction, the municipal welfare officer will continue to be the person to grant immediate assistance to individuals and families in need, even though they might be obvious candidates for Provincial Family Benefits or Federal Old Age Security:

The Province never has been set up to grant assistance in an emergency or in a hurry . . . even though . . . receiving full benefits from the Province, (people) still have to turn to the municipality for assistance should a cheque be lost or delayed, or should an emergency arise requiring immediate aid.

The Province is not able to assist directly in supplying homemakers or nursing services, day nursery care, nursing home care, moving furniture or even supplying furniture, indigent burials, ambulance service, dentures, eye-glasses, prescriptions, etc. etc. All these must be processed through the municipal welfare administrator . . .

In Mr. Atwood's opinion more time will be available to local welfare administrators (under the new legislation, more of the long-term case load will be turned over to the Province). The time saved, he feels, should be used to do a more thorough job of those responsibilities left to local jurisdiction. These include assessment on intake, court work, exploring job training and employment opportunities, health assessment, the use of teaching homemakers, nursing services, day nurseries and "generally giving more attention to cases than has been possible in the past".

### **Provincial Government Administration of Welfare**

As indicated, a number of welfare categories are directly administered by the provincial authorities. The Provincial Department of Social and Family Services through its established regions attends to the recently expanded legislation deal-

<sup>1</sup>At time of writing Preston and Hespeler are considering hiring a person to administer welfare for both these municipalities jointly.

ing with mother's allowances, dependent father's allowances, old age assistance and care of the blind and disabled, and also provides supervision in the field of day nurseries. Of direct interest to the Commission is Regional Welfare Office No. 5, which covers Waterloo, Wellington and Brant Counties. The Region has its head office in Kitchener with sub-offices in Galt, Guelph and Brantford. There are currently twenty-three employees, five of whom are clerical staff, the remaining eighteen devote their time to the administration of the welfare program. Of the eighteen, one, a "rehabilitation services counselor", has a degree in social work. A recent count showed that the region carried a case-load of 2,785. This is an average case-load for each of the eighteen welfare workers of 309.

### **Child Welfare**

Over many years in this Province, special emphasis has been placed upon the protection of children. The distinction between adult and child services has been perpetuated in the continuing development of Children's Aid Societies<sup>1</sup> which, though directed largely by non-elected persons, have over their long history gained quasi-governmental status and are now almost completely dependent upon public funds. The entire Waterloo Area is served by a single Children's Aid Society (for the County of Waterloo). With offices in Kitchener and Galt, the Society aids "anyone within Waterloo County (including the Cities) in need of help concerning physical or emotional needs or problems of children (infancy to sixteen years)." The Waterloo County Children's Aid Society has a staff of fifty-four persons (ten of whom have social work training). The majority of those aided are children. However, all age groups are represented in the Society's work. In 1966, for example, the Children's Aid Society served some 1,737 persons in the age group one to sixteen years and 1,562 persons in the age group seventeen to sixty-four years. Those sixty-five years of age and over receiving assistance numbered only ten. Some eighty persons applying for help were referred to other agencies. The Children's Aid Society is concerned with placing children for adoption or in foster homes, and in protecting them in the home. This in turn involves the Children's Aid Society with related family problems, such as juvenile delinquency and the investigation and supervision of foster homes,

as well as its more direct work with children. In handling the problems, people other than the children themselves are invariably drawn in, and preventive work necessarily raises questions about environments which are conducive to or accentuate welfare problems.

The financial assistance provided by the municipalities of the Area totalled nearly \$200,000, and the Province contributed more than \$300,000. Federal contributions came to \$13,000, so that the Society's total budget was more than a half million dollars in 1966. In 1969, the budget of Children's Aid Society is reported to be over \$1,000,000, a considerable increase in three years which is accounted for by expanding program and staff. The increased staff has served to establish more reasonable and effective case-loads per case worker. According to the Director, there has been a rapid increase in the demands on the Society's services in recent years, which cannot be accounted for by the population increase and the easier financial position, and which he suspects have their roots at least in part in changing social attitude and patterns, particularly greater population mobility and a less closely-knit family style.

While legally a voluntary agency to whose board municipalities appoint some members (no fewer than four), changes in recent years have made the Children's Aid Society almost totally dependent on public funds. In these circumstances it is difficult to see how its continuance as a private agency can be defended.

### **Private or Voluntary Welfare Agencies in the Waterloo Area**

Governmental welfare programs by no means cover all the categories of vital social need within the community. A vast number of so-called voluntary or private agencies or groups augment public activity in the welfare field.

It is not possible to describe all of these groups by any simple system of classification. Some are welfare agencies, some are projects of service clubs, youth organizations, or churches. Some have professional, salaried staff, others do not. Some receive financial assistance only from private sources, such as community fund campaigns (in Galt, the Community Services Fund and in Kitchener-Waterloo, Federated Charities) or their own individual fund-raising drives, while some receive financial support from both public and private sources. Some have elected persons or public officials on their governing bodies and some do not. Some receive continuing municipal

<sup>1</sup>When they deal with adults, they do so in relation to the problems of children, which are their basic concern.



or other government aid, while some receive it only on an *ad hoc* basis.

In the Kitchener-Waterloo area there are well over sixty private agencies and groups which could be said to be involved in community service of one kind or another. In the Galt area the number exceeds two dozen. Depending upon one's definition of welfare or social service, the numbers could be much larger.

A partial list of the major organizations and the service they provide may help to illustrate the broad spectrum of social need and organizational response.

There are two Family Service Bureaus serving the Waterloo Area, the Family Service Bureau of South Waterloo (office in Galt) and the K-W Family Service Bureau. Each, in its own area, provides social case work and family counselling with reference to marital problems, children, financial difficulties, employment, age and any other problems affecting family life. The South Waterloo Bureau as its name suggests covers the southern portion of Waterloo County, which includes Galt, Preston, Hespeler and North Dumfries Township. The K-W Bureau serves Kitchener, Waterloo and fringe areas. The extent of the service is demonstrated in the South Waterloo Bureau's annual report, which records that 353 families were in contact with that agency during 1968. In all some 2,671 persons sought help in a total of 1,969 interviews. The service in this case is in the charge of two persons with social work training, both holding Master of Social Work degrees. In 1968, seventy-seven percent of the agency's financial support (total budget \$28,401) came from the Galt Community Service campaign, while two percent came from a similar local charity drive in Preston. In addition to these private sources of revenue from voluntary fund raising, about twelve percent of the Bureau's revenue comes in the form of municipal grants. In 1968, five percent of total tax-based revenue came from each of Galt and Preston and two percent from North Dumfries. In absolute terms the Galt and Preston grants were \$1,500 each and the North Dumfries grant \$416. The Galt grant represents a decrease of \$500 compared to that city's previous grant and Preston's represented an increase of \$250 over its previous grant. This seems to bear out the contention that municipal grants are a rather unstable source of revenue. The balance of revenue, nine percent, was realized through fees from those clients who were able to pay.

The South Waterloo Family Service Bureau's activities are described at length, partly because

of the comprehensive presentation made by its staff, and partly because it is typical of many other private or voluntary agencies in the Waterloo Area, some of which are described briefly below. No attempt will be made to go into the same detail for each service, but this outline of the Family Service Bureau's 1968 activity serves to describe one of the prime welfare services occupying voluntary or private initiative.

Among the other voluntary agencies are the Salvation Army (a wide range of emergency welfare, care and counselling); Big Brothers Association (guidance to boys); John Howard Society (help to released prisoners); Orthoscopic Society (help to alcoholics); Alcoholics Anonymous (aid in overcoming alcoholism); Victorian Order of Nurses (nursing services in the home and health instruction); Y.M.C.A.-Y.W.C.A. (recreational activity, informal counselling); Red Cross (home-maker service). There are also a wide variety of church-related activities which are of particular importance in the Waterloo area. These and many other organizations provide services to the community that are paid for from both public and private sources. The services offered by no means fall within uniform boundaries. Some services are provided more widely within the Waterloo Area than others.

### The Problems of Welfare Service

The art of providing effective social or welfare services is a developing one. Differences of opinion exist as to what kind of treatment will, in the long run, be the most effective for the needy. One theory that is gaining favour with many professional social workers (this was certainly the case in evidence received from the many agencies heard by the Commission) is that social services should be people-oriented rather than service-oriented. Even more, it is being held that social problems should be viewed and treated in as total a related personal environment as possible. This view was put forward by Children's Aid Society officials at the hearings and has been reaffirmed in recent statements.<sup>1</sup> The child, for example, should not be treated as an isolated being but as part of a family unit. The same applies for the alcoholic, the unemployed, the mentally ill, and so on. In other words, the problem is treated through recognition of the environment in which it developed, not as a matter of relief to be met by paying out money.

<sup>1</sup>See item, "C.A.S. Chief Lauds Bid to Link Services" *K-W Record*, 31 October, 1968.



The consequences of having services organized by function rather than being people-oriented can be illustrated by the case of a "problem family" — one with a number of difficulties, each of which tends to make the others worse. It is possible for one such family to be dealing with the municipal welfare department, the provincial welfare department, a probation officer, a hospital social worker, a public health nurse, a Children's Aid Society worker, a public housing authority and a number of voluntary agencies. The case is complex; no one is responsible for all of it; and only by the joint efforts of a number of agencies can any real progress be made by attacking the problems on a broad front rather than piecemeal. This is demonstrated in the evidence submitted by the Family Service Bureau of South Waterloo and included later in this Chapter.

The most significant apparent deficiency of present-day social service is not so much a lack of sufficient funds as simply poor organization to do an effective job with the funds that are available. The history of social service shows that this complicated system has grown from the lack of any design for comprehensive service. As a problem is recognized (e.g. "bad" children who once were simply punished are now considered "disturbed" and treated with more understanding) an organization has sprung up to try to cope with it. There are now many types of problems and many organizations, both public and private, trying to deal with them; hence the complexity in the welfare or social service system.

The need for reform in the application of social service was documented in several briefs. The Social Planning Council for Kitchener-Waterloo called for a more effective co-ordination of the many service agencies in the community. Indeed, the Council was established in response to the great fragmentation in service in hopes of bringing co-ordination, awareness and financial support to the complex of service.

It has been argued in many of the briefs that the complex needs of the multi-problem family, for example, cannot be met adequately by the present system of municipal welfare, provincial welfare, or private or voluntary welfare. Taken together, the various governmental and private agencies do not add up to a comprehensive, rational service.

There are severe problems facing the entire system of welfare. There are shortages of trained staff at all levels. The financial resources fall short (far short, in some instances) of the requirement for adequate service. There is a lack of co-ordina-

tion among the levels of government and the many agencies both public and private. Very little attempt is made, mainly because of shortage of funds, to carry on experiments in welfare technique and organizational processes, although the Kitchener-Waterloo Social Planning Council has made some attempts to improve the situation.

Not only are services fragmented, but they vary in quality from municipality to municipality. The larger municipalities have full time administrators, but none employ qualified social workers. The municipalities other than the Cities in the Waterloo Area have part-time welfare administrators; that is, they all have other duties, usually considered more important than welfare. It should be borne in mind that in many of the municipalities the recognized case-loads are very low, and better qualified staff would be inordinately expensive. Nonetheless, the welfare function is deficient and lacks uniformity of application at the municipal level. This deficiency appears to arise out of a general attitude that money is the basic requirement of those calling on the municipality for help. There is an obvious failure to acknowledge more fundamental social problems and recognize that the lack of money on the part of the welfare recipient is more a symptom than a cause of problems. Council members often express more joy in discovering a reduction of cost of welfare service than in learning of positive results or effects of the program. These difficulties with the quality of service arise from changes in the social and economic character of the area. The use of untrained, part-time staff was defensible when the Townships were essentially rural, agricultural communities with stable population, little affected by urbanization. Welfare problems today can change very quickly with population mobility and often have their roots in changes in the economic condition in adjoining urban centres. This is not to say that there are not and have not been welfare and social disorganization in the rural areas and small towns, but rather that in the past the scale of such was not as great in rural areas, and the relatively stable communities were perhaps better able to work out answers than is possible today.

Many people both at the hearings and in the welfare field generally have expressed concern for the kind of reception people in search of help receive in municipal offices. It is a strange phenomenon that councils will on the one hand agree that some members of the community need help, and then in offering the help will, through their administrators, often humiliate and treat as

“second class citizens” those who seek the assistance that is offered. It has been the Commission’s experience in visiting municipal offices to witness persons having to discuss private and personal matters in reception areas or hallways, and in anything but private circumstances.

The administrator, understandably, is very often simply reflecting an attitude held by his political masters. As well, the administrator is in many cases being required to perform a duty for which he lacks professional training and skill. The nature of welfare services requires more than administrators to receive applications and disperse funds: there is also a need for welfare workers whose prime responsibility is to assist those in need, and some of this assistance must be highly specialized.

The gradual shift of responsibility to the provincial administration has not resulted in any really significant increase in counselling services; the wider financial base has not improved expertise in the handling of welfare. The heavy case load, now about 300 or more per worker (a very heavy load in which individual cases could not expect any more than cursory attention), and the absence of staff with formal training or skills in social work or related disciplines will attest to this. The increase in the activity of the provincial welfare authority (Department of Social and Family Services) has apparently only meant moving the administration of certain services to the provincial financial base and control as they became of standard application and became less capable of being financed by individual municipalities. The continued split in services between those administered essentially at the municipal level and those which are provincial is difficult to rationalize, apart from financial considerations. The division only serves to continue the confusion about responsibility and the proper sources of aid for the needy.

The Commission was disturbed to learn from the evidence that municipal welfare officials who by their own reports show a high frequency of cases involving family problems (desertion, separation, divorce) very seldom, if ever, refer their clients to counselling services in the community, such as the Family Service Bureau. It may be argued that to have done so would have overtaxed the limited staff resources. However, the staff resource will only increase in response to demand. The failure to refer marital problems, for example, to professional counsellors may be another manifestation of the blind eye that some councils and administrators turn to this aspect of

social service. It may be the fear of being billed for the service. It may be that the complexity of the means for meeting welfare needs, and the weight of the case load make for insensitive treatment; or it may be professional disagreement as to what action is desirable and therefore who should be responsible.

There are those in the community, any community, who see welfare programs as a source of ill-gotten financial gain for the beneficiary. There probably are some families who abuse the system. But there is no evidence that such cases form a large part of welfare activity. It is interesting to note the substantial use made of Family Service Bureau services in both Kitchener-Waterloo and South Waterloo, where, in each case, the only aid offered is advice.

In many respects it could fairly be said that the municipal and indeed much of the provincial service is of a type for which money can offer an immediate stop-gap, e.g. unemployment, desertion, illness. But even for these social disorders, more far-reaching and sensitive treatment is always appropriate. In the voluntary services whose concerns are husband-wife disputes, parent-child problems and personal tragedies, the provision of money is not always the answer. The “whole-man” approach must be supported in a co-ordinated way if such social problems are to be cured.

Sometimes private agencies are able to bring professional staff to the work, but never in adequate numbers. Voluntary agencies are continually working on marginal amounts of financial support. Sometimes they are heavily subsidized by public resources (municipal council contributions), yet are still regarded as voluntary. Others have attempted to reduce their financial problems by consolidating across several municipalities.

The multiplicity of municipal units in the Waterloo Area leads to situations where service provision and financial support do not match. Some agencies will provide their services, whether counselling or material help, regardless of the recipient’s place of residence, but have no way of being assured of financial assistance from the municipality of the recipient. It is normal for many agencies to go hat in hand to municipalities year after year for financial support, sometimes with success, sometimes without.

As the example given earlier of the South Waterloo Family Service Bureau shows very clearly, municipal financial assistance does not correspond very closely with the service received by the municipality. The City of Galt contributed eighty-two percent in public and private funds and



received, in terms of families served, sixty-eight percent of the service. Preston, on the other hand, contributed seven percent and received thirteen percent of the service and Hespeler, in which nine percent of all the families served were resident, contributed nothing. This example is just one of many demonstrating the inequity of cost-sharing inherent in the present system. A further point would be that municipal councillors sometimes object, and quite properly, to the request for public funds (raised through taxes) for the so-called "voluntary" agencies. Yet the consistent failure of united charity drives to meet the needs of community services forces the private agencies to negate the advantage of the single fund drive by putting on special drives and pressing councils for aid.

If it is important that those using public funds for official municipal purposes should be accountable to the electorate, then the matter of "accountability" must also be applied to the private organizations. These are, after all, providing very necessary services to the community, or the public, using funds derived by appeals to the public; but how is their accountability to the community to be managed? The financial support is not unlike a tax (especially if raised by payroll deduction), yet those making decisions regarding the use of the money are not accountable to the broad populace.

At the risk of repeating some of the points raised already, but in an effort to confirm the problems faced by those attempting to meet vital community needs, the comments of the South Waterloo Family Service Bureau are offered here as put to the Commission in their brief:

1. *Fragmentation of Service:* Assessment of family problems is carried out in a piecemeal fashion. Treatment of one part of a family problem is carried out in one place by one agency and another part of the problem in another place by another agency.
2. *Poor Communication Between Services:* The lack of co-ordination and co-operation, as well as the geographic separation of services, leads to misunderstandings and distortion in communication. There are no established, clear cut lines of communication between agencies.
3. *Restricted Financing:* Private voluntary agencies which are supported by United Appeal money are at the mercy, and the whim, of the public's generosity. This severely restricts services which are required. Fur-

thermore, creativity in new forms of treatment is prohibited.

4. *Quality Control of Professional Staff:* Quality of service is determined by the quality of personnel. There are not standards for controlling this quality among the social agencies in South Waterloo.
5. *Inequality of Service:* Because of the stigma attached to the social agencies (either actually or by implication) the service is primarily used by people in the lower socio-economic groups. As a result, people in the middle and upper socio-economic groups are forced to seek help outside of the community in large metropolitan centres.
6. *Lack of Service:* There are many gaps in the social services. This is due primarily to a lack of co-ordination which could provide an over-all view of the social services program. A second factor is restricted financing. For example: There are no services designed to deal with adolescent behaviour problems, including delinquency; there are no treatment units for the large and increasing number of emotionally disturbed children. In the South Waterloo Area, which has a population of over 50,000, there are three trained social workers. There are no psychiatrists or psychologists practising in the community. There are no Mental Health Services available in this area. There are no child adjustment services for the 10,000 children in the schools in this community. There are many other areas where services are either inadequate or non-existent; geriatrics, alcohol problems, assessment and treatment of offenders and the mentally ill.

The problems outlined above were very effectively portrayed in a case history that is presented here in its entirety because it epitomizes matters.

We had a fight and our neighbour called the Children's Aid. A man came from the Children's Aid and told us that our fights were affecting the children. After talking for an hour, he left. I felt let down because the problem had been with us for a long time.

Jim acted a bit better for a while after this, because he was afraid of what people would think. Everything was okay until New Year's Eve when he got drunk again. We had an awful fight and he gave me a black eye and cracked one of my ribs. I didn't know who to call. Someone suggested I call the police. They came and took me to the emergency ward at the



hospital. The police officer told me that I should lay a charge of assault against my husband. I thought this over and decided that perhaps it was the best thing to do. I hoped that we might get some help this way.

At court everything was very formal and the judge put Jim on probation for six months. No one asked me what I felt was the matter. During the time that Jim was on probation it was pretty good at home, Jim spent more time with the kids. I often wished that I had had someone to talk to then because many times I felt I was doing the wrong thing and would liked to have had help. Near the end of Jim's probation, the probation officer suggested that we go for marriage counselling to the Family Service Bureau. I would have liked to have done this but Jim said that he had talked to too many people already.

I guess it was a mistake for the judge to end the probation after six months. Things got worse and worse. I got depressed, I couldn't eat, I couldn't sleep. My doctor said it was my nerves and he gave me some pills.

The real trouble started when Jim got into a fight with his foreman and lost his job. He couldn't get unemployment assistance for almost a month. He told me I had to go to the Welfare Office and talk to the man there. Because we had to have food I went to the Welfare Department. I felt awful doing it, but I knew I had no choice. The man at welfare seemed very angry when I told him what had happened but he did agree to help us out until the unemployment cheque came through, but we had to promise to pay the money back.

Jim didn't get a job all that winter. He began to drink a lot and I went and talked once to my minister about how I could get some help for Jim and his drinking. I got tired of telling my story to so many people.

I guess I was feeling pretty desperate and that is why I took an overdose of my pills. When I went to the hospital, Jim didn't have anyone to look after the children and they were taken by the Children's Aid. When I got out of the hospital I phoned someone at the Family Service Bureau and he suggested that because of what I had told him it would be best if Jim and I went down together. I guess Jim was feeling pretty desperate too because he agreed to go with me.

There will be in the future a need for community leaders to pay more attention to the integration of social and physical planning — more

emphasis should be placed on *preventing* social disorders. As has been suggested before, communities must be more than just beautiful to look at — they must offer an attractive environment in which to live. Part of that environment will include social services that recognize the needs of all, not only the "poor". A great complexity, however, entangles the social service of the present. Some of it arises from fragmented organization, some of it from lack of staff and funds. Some of it, a good deal of it, from confused attitudes as to what welfare is or should be.

Very little has been said in previous local government reviews about the problems of welfare or social services in the community. These services reflect the strength of community and its ability to deal with the problems of people effectively and with some sensitivity. Certainly the organizations, both public and private, which are making an effort in this field make frequent demands upon the local purse, both public and private, for support. The provision of social service is an integral part of local community service, and to overlook it in a review of local government would constitute a serious omission.

### **Observations and Recommendations**

The problems of welfare services have sometimes been characterized as "hardening of the categories" — there is a wide range of specific welfare agencies and services which attempt to meet practically every conceivable problem. There was considerable evidence that a significant proportion of welfare cases do fit into the categories neatly. For the majority of those persons receiving welfare assistance, this arrangement works reasonably well. However, for those who do not fit the Procrustean bed of welfare regulations but require some particular help a different kind of welfare service is required from that presently provided. Moreover, the number of these unusual cases is growing as a result of urbanization and the rapid change in contemporary society. A good deal of the difficulty arises from the municipalities' lack of interest in welfare services. This can be explained in part by their feeling that their revenue resources are inadequate and inappropriate for welfare services; part of it is due to Canada having only recently become a heavily urbanized country so that there is no strong tradition of welfare as a local service; and in part it is due to the fragmentation and voluntary provision of welfare services, with children and family services and homes for the aged each dealt

with by special arrangements unrelated to the general welfare service. In the circumstances it is not surprising that staffing of welfare services has had low priority, and there has been a general willingness to leave welfare to somebody else.

One unfortunate result of this is that only now is there any awareness that welfare is a very expensive service on a continuing basis, and that it is not only more humane but also less expensive to put more stress on the preventive aspects of welfare to see if the causes of persons becoming welfare cases can, if not removed, at least be made less damaging.

It would be exciting to see what would happen if more stress were placed on the social consequences of particular forms of development and types of housing so as to reduce the stresses caused by isolation, overcrowding, and lack of legitimate outlets for energies.

On an administrative level, there appears to be a great deal of merit in general welfare units. These would deal with the whole range of cases from children's services to taking applications for admission to the home for the aged, and the units could be supplemented by specialized staff responsible for the more specific services such as

psychiatric care, home-maker service and day nurseries. This kind of service would have more impact on the related municipal services than the present fragmented arrangements and by better use of personnel might well be more economical. The complex and uncertain relationships that now exist between voluntary agencies and government in matters of financial support for many vital services could be better rationalized as well.

With regard to the present Children's Aid Society it is difficult to justify its continuing existence as a private body when it is financed almost entirely out of public funds. Many so-called 'voluntary' agencies also rely heavily upon government financial support for their existence.

While the circumstances in which welfare services are administered are confused and complex, a parallel with the planning situation may be valid. As with planning and public attitudes, so it is for welfare: there is no guarantee that larger units or more comprehensive arrangements through integration of services will result in changed attitudes toward welfare programs. It may be some time before it is generally realized that effective welfare programs are not only of benefit to the "poor".

## CHAPTER FOURTEEN

### PUBLIC HOUSING

Public housing in Waterloo County is provided, essentially, through the Ontario Housing Corporation. At the time that the Ontario Housing Corporation was established, locally-appointed housing authorities had the responsibility for managing public housing units. In Waterloo County, only Galt now has such a housing authority. It is made up of five members who are appointed by Order in Council on the recommendation of the mayor and the local federal and provincial Members of Parliament. The members currently serving are a civic official, a lawyer, a business man, a labour representative and a woman with a background of community service. The Housing Authority's members serve for a period of three years, renewable for a maximum of nine years. Public housing in the other municipalities is managed through the Ontario Housing Corporation's office in Kitchener.

It should be noted that the Minister responsible for the Ontario Housing Corporation, Mr. Randall, has stated recently that the Corporation has been considering assuming direct responsibility for administration of public housing through area management offices.

A total of 365 family units and 56 senior citizens' units have been built in Waterloo County as of June, 1969, while 356 family units and 184 senior citizens' units are under construction. Public housing has been confined to the three cities until recently. Preston now has public housing under construction, while Hespeler and Elmira have units planned.

The Ontario Housing Corporation investigates the possibility of building public housing units only at the request of the municipality. When a municipality believes there is a need for public housing in the community, it contacts the Ontario Housing Corporation, which conducts a survey of the demand for housing in the area. The results of the survey and the Corporation's recommendations are then sent to the municipality. If there is found to be a need for public housing and if the municipality agrees that this need should be met, the municipal council is required to pass a resolution requesting the Ontario Housing Corporation to provide public housing and agreeing to pay 7½ percent of the operating deficit. The provincial and federal governments share the remaining cost.

In its "Notes Re: Area Problems" addressed to the Commission, the City of Kitchener expressed concern about the high cost of housing generally. The City felt that with more choice in development in several areas, new municipal councils "might finally be successful in outguessing the speculators and thereby reduce land costs. The annexation route to an expanded market for housing is not, in the City's opinion, one that will bring success in this respect."

With specific reference to publicly subsidized housing, it was the City of Kitchener's view that even at a share of just 7½ percent of operating deficits in low income housing, only larger municipalities can afford the arrangements.

In spite of the efforts indicated in Table 14-1 showing public housing activity in the Waterloo Area, continuing alarm is raised about the short supply of adequate housing for families of low income. In a *K-W Record* headline early last year, the housing outlook for 1969 was described as bleak. The Mayor and some members of council were particularly concerned about the problem of suitable housing for low income earners. Earlier the K-W Family Service Bureau in its brief to the Commission singled out the problem of adequate housing for low income families as one of the most pressing of local problems. It, too, held the opinion that new municipal structures might overcome the particular conditions of the market for land and thereby better control the price of housing. The Bureau believed that a municipality might do more to provide easily attainable information about available housing in the locality.

Under the circumstances of short supply of housing and increasing prices, the amount of sub-standard housing which, in the Bureau's view, was not now a serious problem might become so in the future. The Family Service Bureau believed that some stronger form of local government was necessary to apply a rigid code of housing standards to which landlords would be forced to comply, so as to prevent the spread of slums.

The problem of providing housing through public subsidy is one that is most complex. Housing policy should, if it is to be truly effective, be considered in the wider context of social policy. Certainly local government is heavily dependent upon senior levels of government in establishing public housing. Under the circumstances, local



government is entirely dependent upon both the provincial and federal governments for the timing, and in some cases for the location and character of public housing. A conspicuous example of this is the Ontario Housing Corporation's announcement for a new town in the southern part of Waterloo Township.

### **Homes for the Aged**

Homes for the aged in the Waterloo Area are run by two types of organizations — municipalities and charitable institutions. The Cities of Kitchener, Waterloo and Galt and the County of Waterloo jointly operate the Sunnyside Home for the Aged. The Provincial Government pays seventy percent of the Home's operating costs and fifty percent of its capital costs. The remainder is shared by the four municipalities, who pay on the basis of the number of residents from each municipality living in the Home. Sunnyside is the only Home in the Waterloo Area to provide bed care (109 beds), senile care (fifty-six beds), and apartments for couples, as well as dormitories. It is administered by a joint local board consisting of two representatives from each of the Cities and the County.

There are four other homes for the aged in the Waterloo Area, located in Kitchener, Waterloo, Galt and Preston (See Table 14-2). Two are operated by the Salvation Army, one by the United Church of Canada, and one by the Menonite Church. These homes run by charitable

institutions are also subsidized by the Provincial Government to the extent of seventy-five percent of the operating costs and fifty percent of the capital costs.

Again, the activity with respect to homes for the aged is almost entirely dependent upon senior government financing. Recently, additions to Sunnyside Home, locally adjudged necessary, were held up because of the withholding of provincial funds for the project.

### **Observations and Recommendations**

The problem of providing housing for those unable to provide it for themselves to a reasonable standard is very complex. Housing policy should, if it is to be truly effective, be considered in the wider context of social policy. Certainly local government is heavily dependent upon senior levels of government in establishing public housing. Under the circumstances, local government is entirely dependent upon both the provincial and federal governments for the timing, and in some cases, for the location and character of public housing. A conspicuous example of this is the Ontario Housing Corporation's announcement for a new town in the southern part of Waterloo Township.

It should be noted that the various welfare bodies seem to have little to say about the need for public housing or which persons should have priority in occupying it once built.

Table 14-1

NUMBER OF PUBLIC HOUSING UNITS BY MUNICIPALITY IN  
THE WATERLOO AREA, 1969

Municipality		Occupied	Underway	Planned
Kitchener	Family	194	250	50
	Sr. Citizen	16	140	35
Waterloo City	Family	21		120
	Sr. Citizen			24
Galt	Family	150	68	
	Sr. Citizen	40		
Preston	Family		38	
	Sr. Citizen		44	
Hespeler	Family			18
	Sr. Citizen	(very preliminary)		22
Elmira	Sr. Citizen			10

Policy of the Cities of Kitchener and Waterloo

General guideline is that applicant must have lived in the municipality for a year before applying, but this rule is broken if thought necessary.

City of Galt's Policy

Based on need rather than residence — regard Galt-Preston-Hespeler as a Community. Any applicant from outside the area is not usually considered.

Table 14-2

HOMES FOR THE AGED, WATERLOO AREA, 1969

Name	Sponsor	Approximate No. of Beds
Sunnyside Home for the Aged (Kitchener)	Cities of Kitchener, Waterloo, Galt and County of Waterloo	267
A. R. Goudie Eventide Home (Kitchener)	Salvation Army	71
Salvation Army Eventide Home (Galt)	Salvation Army	129
Parkwood Manor (Waterloo)	United Church of Canada	56
Fairview Mennonite Home (Preston)	Mennonite Church	84

## CHAPTER FIFTEEN

### EDUCATION

As we have noted in the introductory chapters of this Report a review of local government, by definition, must include an examination of at least the administrative and financial aspects of education within the Study Area. What is offered here by way of analysis is by no means exhaustive. It is hoped, however, that some light will be cast upon the institutional arrangements related to schools, the administrative relationships between school boards and municipal government and the financial impact upon the community that results from educational needs. Elsewhere in the report in discussing the financial aspects, particular reference is made to the shift in taxation resulting from the new school arrangements which formally took effect in January 1969.

Shortly before the public hearings started, the Prime Minister, speaking in Galt in November 1967, announced the Provincial Government's intention to establish new administrative arrangements in education effective January 1969.

Education was to become the responsibility of new boards of education with enlarged jurisdiction in order to achieve a system in which "no youngster will be denied an education to the maximum of his ability". The Prime Minister described the larger units as necessary to "make it possible to extend to all students the benefits now enjoyed by our more-favoured school systems. Under a single, larger unit it is possible to provide more adequately for youngsters who have special talents or special problems".

For most areas of the southern part of the Province, the single unit spoken of was the County. For the Review Area this meant that the existing public boards of education and school boards in the Area were reconstituted into the Waterloo County Board of Education as of January 1, 1969.

The Prime Minister did not suggest that the new system was designed to reduce education costs. Indeed he stated that, "if we are to continue to accept as our number one priority the equality of educational opportunity we must recognize that it will remain a costly — but worthwhile — objective". Nevertheless the new arrangements would provide for better control and planning of educational fiscal affairs and would help to eliminate present inequities in the distribution of educational costs within given local areas and "reduce further financial inequalities between areas. To

these ends it is the intention of the Ontario Government to provide additional financial assistance which will facilitate the establishment and operation of the new units".

Except in five designated city areas in the Province, the County was selected as the unit to achieve these benefits. The Prime Minister made it clear in his announcement that the Provincial Government did not intend these new arrangements for education to be taken as the basic unit "for any system of regional government which may be adopted in the future".

At the time that the new arrangements were announced, the Waterloo Area contained twenty-five school boards responsible for elementary education in the Waterloo Area. Of these, twelve were for public schools while thirteen dealt with separate elementary schools.

In secondary education some seven boards were involved. In all, then, thirty school boards or boards of education served the Waterloo Area and beyond (some of the high school boards included municipalities within their jurisdiction that were outside Waterloo County). For public school boards in the Area there were ninety trustees, and for separate school boards, seventy-seven trustees. For secondary schools (other than boards of education, included in the tally for elementary schools) the number of trustees was forty-five, all of whom were appointed (only in the case of boards of education were those responsible for secondary education elected). This then gave a grand total of 212 school trustees in the Waterloo Area.

The new arrangements reduced the number of boards in the Waterloo Area for school purposes from thirty to two. The number of trustees serving these two boards totals thirty-six, a reduction of 174. All the seats on both the Waterloo County Board of Education and the Waterloo Separate School Board are elective.

It is important to note that while the total population in a given board of education area determines the total number of members to form the board, the distribution of membership on the board is not based on population but rather on each member municipality's or group of municipalities' share of the equalized residential and farm assessment for the Area. This accounts for the City of Waterloo having three members on the board while Galt, which actually has a slightly



larger population, has only two: the City of Waterloo has more equalized residential and farm assessment. This kind of basis for determining the membership of a political institution in what purports to be representative democracy is a curious one — it seems to pay more attention to representing money than people, the rationale probably being to ensure that the rural minority is well represented on the board. It should be noted that the formula for distributing representation is different from that of distributing costs.

The larger (in terms of assessment presumably) municipalities of the Waterloo Area do not combine for electoral purposes and have the following representation on the County Board of Education:

	Population	Rep.
Kitchener	(105,661),	six
Waterloo	(33,644),	three
Galt	(36,900),	two
Preston	(15,185),	one
Total	(191,390),	twelve

The other representatives come from electoral units which are the result of combining two or more County municipalities. These groupings and the number of representatives they have on the Board of Education are as follows:

New Hamburg	Rep.
Elmira	
Wellesley Village	(total population 26,245) two
Wellesley Twp.	
Wilmot Township	
Woolwich Twp.	
Bridgeport	(total population 10,772) one
Waterloo Twp.	
Hespeler	(total population 11,218) one
Ayr	
North Dumfries	
Township	
Total	(48,235) four

Elected to the Board of Education on an "at large" basis are four trustees, for secondary schools only, representing Roman Catholic Separate School interests.

The Roman Catholic Separate School Board serving the entire Waterloo Area has sixteen elected trustees who serve the following municipalities or groups of municipalities:

	Population	Rep.
Kitchener	(105,661)	nine
Waterloo	(33,644)	two
Galt	(36,900)	two
Preston	(15,185)	one
	(191,390)	fourteen

Elmira  
 New Hamburg  
 Wellesley Village  
 Wellesley Twp.  
 Wilmot Twp. (33,385)<sup>1</sup> one  
 Woolwich Twp.  
 plus parts of  
 North Easthope Twp. (Perth County)  
 Peel Twp. (Wellington County)

Hespeler  
 Ayr  
 Bridgeport  
 North Dumfries Twp.  
 Waterloo Twp.  
 plus parts of  
 South Dumfries Twp. (Brant County)  
 Blenheim Twp. (Oxford County)  
 Guelph Twp. (Wellington County)  
 Beverly Twp. (Wentworth County)

(38,448)<sup>2</sup> one

(71,833) two

Representation on the Separate School Board is complicated by the fact that the proportion of Separate School Board supporters and children varies from one municipality to another, so that representation by population is bound to be different from that for the public school system.

It should be noted that the jurisdictions of the Board of Education and the Separate School Board do not coincide.

The first election, for a two-year term in each case, was held on December 2, 1968. It is significant to note that the highest percentage of eligible voters voting, in Bridgeport, was only twenty-five percent. In Kitchener, about eighteen percent voted; in Galt eighteen percent; in the City of Waterloo twenty-one percent; and in Waterloo Township some twenty-one percent of eligible voters.

Of the few persons who had served as appointed members to high school boards and who ran

<sup>1</sup>This figure is approximate since it includes the whole of North Easthope, South Easthope and Peel Townships.

<sup>2</sup>This figure is approximate since it includes the whole of South Dumfries, Blenheim, Guelph and Beverly Townships.

for election to the new Board of Education, only two were successful. By far the majority of successful candidates were former public school trustees who had been successful in past elections for school boards. Of the total of thirty-six trustees elected to both boards, thirty (fifteen on each) were currently serving as elected members of either public or separate school boards.

### **The Problems to be Faced in Education Administration**

The Provincial Government has now acted to bring new arrangements to education administration with the avowed purposes referred to earlier in this section. The Commission heard from many school boards at its public hearings and these briefs were all written with the knowledge of the Government's intentions. Many of the briefs felt that rather smaller consolidations might be more appropriate and at the same time bring the kind of benefits desired, although the brief submitted by the Kitchener and District Public School Board supported the kind of wide area base proposed for educational administration. Certainly many of the briefs were in agreement with respect to the problems or needs that changes in administration might help to meet. The Kitchener and District Public School Board believed that enlargement would assist considerably in planning:

- a) school facilities without regard to present municipal boundaries.
- b) more sophisticated grading of auxiliary classes resulting in more effectively meeting the needs of children concerned.
- c) the expansion and development of special classes such as deaf and hard-of-hearing, orthopaedic, limited vision.
- d) joint services in the following areas:
  1. psychological services including social workers and attendance counsellors.
  2. guidance services.
  3. effectively co-ordinating curriculum from kindergarten to grade 13 in academic, as well as special subject areas such as art, music and physical education.
  4. effective use of home economics and industrial arts centre.

The Preston Board of Education in its brief noted as well that some advantages might accrue through larger units in the in-service training of teachers, the provision of more efficient record keeping systems for the Area schools by use of a centralized computer system and the provision of

a centralized depot for audio-visual materials and repairs.

The brief of the Township School Area of North Dumfries while not endorsing a county-wide base believed that a larger base than in use at present was required. The brief drew attention to the need to have elected people in charge of local educational affairs that would embrace a system including kindergarten to grade thirteen.

The evidence is clear that the system or perhaps more accurately the systems of education at work in the Waterloo Area prior to 1969 had the deficiencies pointed to in some of the briefs. A single stream, kindergarten to grade thirteen, was available only in Galt and Preston leaving by far the bulk of the student population in fragmented systems. Many of the elementary schools were lacking in courses or services others believed to be essential. In Table 5-4 of the Data Book and included here as Table 15-1 a comparison is made of courses and services available in the elementary schools of the Waterloo Area prior to 1969. As is readily evident there were many comparative deficiencies.

The system also had a considerable number of high schools, except those in Galt and Preston, under the direction of appointed trustees. In fact some forty-five trustees were appointed in five high school boards. There can be no questioning the dedicated application to their duties of these men and women. One must wonder how well the concept of appointed bodies works in a society that, again, purports to put its faith in representative institutions. While the Kitchener-Waterloo High School's brief insisted that local people need local boards responsive to local problems it is difficult to see how an appointed body can be truly responsive when it is so difficult for the elector to get at such a body — a body that is making important political decisions involving very large sums of money and, more importantly, many people.

These, then, are some of the problems it is hoped that the new arrangements in education, namely the County Board of Education approach, will be successful in overcoming. The transition period to the new arrangements has not been without its problems and is not yet concluded.

It should be noted that there are more than 46,000 pupils in the Waterloo County Board of Education system and that it is one of the largest in the province outside of the five cities which have their own boards.

Some students continue to attend Waterloo County schools from outside the County. The



secondary schools in Elmira, Baden and Galt all draw from adjoining areas outside the County.

### **The Relationship of Parks, Recreation and Libraries to Schools and School Administration**

The Kitchener and District Public School Board acknowledged the trend towards more extensive use of school buildings for community purposes. The relationship between the operation of schools and the operation of recreation programs — while one upon which no direct action has been taken in terms of formal responsibility — is one that is gaining more and more attention. If there is to be an effective relationship it may be that a closer tie between those responsible for both services should be effected. The Kitchener and District Public School Board suggested that one possible means of achieving at least better liaison would be to require the local school board to appoint one or more representatives to serve on the local parks and recreation commission in the same way that liaison is presently achieved with library boards. In its brief the Community Services Board of the City of Waterloo proposed a Regional Department of Recreation and Parks, part of whose function would be liaison with Regional Education Authorities including the community use of school facilities.

As noted in the chapter on libraries the Hall-Dennis Report had something to say about the relationship of the operation of libraries and schools and suggested that school boards take a major responsibility for the provision of libraries and library services.

The significance of these proposals is that they demonstrate a growing recognition of the inter-relatedness of what were services previously thought to be so special in their nature that only people appointed to think about that service alone could handle it adequately. Now the adequate and effective provision of these services by this approach has been called into question.

What is equally significant, however, is that the proposals made for policy formation in these service areas do not break much new ground. They still tend to observe the need for separate policy-making bodies in which there is a kind of exchange of members. This exchange would probably further complicate questions of responsibility rather than clarify accountability. This crucial matter of accountability would be as obscure as ever if not more so. The question still remains to be answered: if services are functionally related within a community why must re-

sponsibility be fragmented? We are left with the feeling that the service in its totality is everybody's business but no one's responsibility.

### **The New Problems in Education**

The problems in education, particularly those of cost, are not really that new. They are simply old problems in new circumstances. As for all matters related to achieving social goals through public policy, there are two critical financial issues attached to the new approach to the education program — the level of cost and the equitable distribution of the cost. From its observations the Review can only agree that in the Waterloo Area some serious deficiencies exist in the content of education and where public programs are deficient in their content it is unlikely that one can reasonably expect that the absolute cost of these programs will somehow be decreased in meeting these deficiencies. It is a clear political position in Ontario that education be given very high priority in terms of its share of public expenditure. As the Prime Minister stated "it will remain a costly — but worthwhile objective". The avowed purpose of the new arrangements is to improve and to bring equality of opportunity in education and no one at the provincial level, certainly, has implied that this will in the overall sense cost less money.

The expenditure made for educational purposes has a heavy and important impact upon local financial resources. In this respect some observations bearing upon the transitional period for education administration in the Waterloo Area and how cost is distributed among the municipalities of the Waterloo Area are contained in the chapter on Local Finance.

If the logic pursued in this Report is to be at least consistent the kind of comment made at the end of the chapter dealing with the conservation authority must be repeated for every special purpose body, including school boards. It is important to make such an observation in a section on schools because of the very obvious and very high priority given their operation. That this high priority was the general intention in establishing school boards is clear. The extent to which the result has been to erode or weaken responsibility in other areas and to distort the allocation of resources is, again, another matter.

### **Observations and Recommendations**

Some aspects of education are touched on in



the discussions of finance, libraries and recreation, and need not be repeated here. Comments regarding the problems associated with special purpose bodies made in other contexts are also generally applicable to education. It should be noted in the latter connection that while education is the most costly single activity of local government and has the greatest consequences for residents in the long run, its formal relations with the municipal councils and the various other local boards and commissions are almost nil. It is claimed that it is also a directly elected body and therefore is equal in stature to the council, to which it may be replied that it not only has not the breadth of responsibilities, but that the voters do not take it as seriously. The evidence of this is in the general absence of issues in elections for the Boards of Education and the much lower voter turn-out where the elections are held separately from the municipal elections — the turn-out was between 18 and 20 percent in elections for the Boards of Education in the Area last year — about half that in comparable elections for councils.

One specific problem in education is that the Separate School Board and County Board of Education areas are not the same.

The present boundaries of the Separate School Board are really the result of amalgamation of the then existing thirteen separate school boards. No attempt was made to conform to county boundaries as was done in the case of the twelve pre-existing public and secondary school boards. This probably resulted from the fact that separate school administration presents different complexities, and the change to the County Board was made on much shorter notice. The problem created by the areas from which separate school pupils go to school in Waterloo County being larger than the County was not unlike that for the County Boards of Education.

It is recommended that the Separate School Board's jurisdiction be made the same as that of the County Board of Education.

Table 15-1  
EDUCATIONAL FACILITIES AVAILABLE: SOME ELEMENTARY  
SCHOOLS, WATERLOO AREA, 1967

Name of Boards	Kindergarten	Special Education Classes	Supervision	Psychological & Health Services	Guidance & Counselling	Industrial Arts & Home Economics	Libraries	Senior Schools	Junior Schools
Galt Board of Education.....	Yes	Yes	Yes	Part Time	Yes	Yes	Yes	Yes	Yes
Kitchener and District Public S.B.	Yes	Yes	Yes	Health Only	Yes	Yes	Yes	Yes	Yes
Waterloo Public S.B.....	Yes	Yes	Yes	Health Only	Yes	Yes	Yes	Yes	Yes
Elmira Union S.B.....	Yes	Yes	Yes	Health Only	Yes	No	No	No	No
Hespeler Public S.B.....	Yes	No	Yes	No	No	Yes	No	No	No
New Hamburg Public S.B.....	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Preston Board of Education.....	Yes	Yes	Partial	No	Yes	Yes	No	Yes	Yes
North Dumfries T.S.A.....	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes
Wellesley T.S.A.....	No	Yes	No	No	No	No	Yes	No	No
Wilmot T.S.A.....	Yes	Yes	Yes	Health Only	Yes	Yes	Yes	Yes	Yes
Galt Separate S.B.....	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Kitchener Separate S.B.....	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Waterloo Separate S.B.....	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Elmira Separate S.B.....	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes
Preston Separate S.B.....	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Wellesley 4 R.C.S.S.....	No	No	No	No	No	No	Yes	No	No

Source: The school boards.

## CHAPTER SIXTEEN

### LIBRARIES

Library facilities and services are provided in the Waterloo Area through three distinct organizational arrangements: the municipal or public library that is established to serve a specific municipality; the county library, which has a number of member branches throughout the County; and the Regional Library Co-operative, which provides library services to both of these systems.

The public library system is in fact several separate organizations contained within municipal boundaries, each with its own board established and appointed by council to prepare its budget and give general direction to the library program within the municipality. There are public libraries and public library boards in each of the three Cities in the Waterloo Area and in the Towns of Preston and Hespeler. In all but Hespeler, the board is composed of nine members: the mayor, *ex officio*, three appointed by council, three appointed by the school board (in the future these will be made by the Waterloo County Board of Education) and two appointed by the separate school board. In Hespeler, the only municipality in this group with a population of less than 10,000, the board is made up of the mayor and four members appointed annually by the council. No appointed member of any of these boards may be a member of the appointing bodies. The appointments to boards serving municipalities of over 10,000 population for council and public school board appointees is for three-year terms, whereas those appointed by separate school boards have two-year terms.

While the public library system has been described as following municipal boundaries, non-residents may use the library facilities of a given municipality. The City of Galt, for example, offers full library privileges to anyone who works, goes to school, or lives in Galt for the nominal ten-cent fee for a user card, while for those non-residents who neither work in nor go to school in Galt, a fee of \$1.45 is charged for annual privileges. This is based upon the current *per capita* cost of the library operation in the City. The same general approach is taken by the other public library boards in the Waterloo Area.

Both Kitchener and Waterloo have opened new library buildings in this decade, and Galt opened a new building in the summer of 1969. In 1968,

Kitchener's Library Board had an operating budget of \$440,000, and circulation approached one million from a total book stock of 226,300. In the same year the Waterloo budget was \$116,000 for library purposes, and circulation reached 331,200 books with a book stock of 55,350. Galt's new building will cost an estimated \$750,000 in total, and in 1968 the board's operating expenditure totalled \$88,000. Circulation from the existing library was approximately 230,000 and total book stock 57,000. None of the Cities have branch libraries, although Kitchener uses a trailer as a mobile library.

The Towns of Preston and Hespeler spent \$42,000 and \$15,000, respectively, for library purposes, and held book stocks of 19,100 and 15,000. Circulation in Preston reached 117,750, while for Hespeler the figure was 72,250 in 1968.

The financial support forthcoming from the provincial government (administered by the Department of Education) for library purposes falls into two categories. One grant is an amount varying inversely with equalized taxable assessment *per capita* from eight percent to eighty percent of approved operating costs. Apart from education grants (and, in a sense, highways) this is the only major grant program to consider the financial capacity of a municipality in determining aid. The other part of the grant program is calculated on the basis of the lesser of: a) the salaries of qualified librarians employed, or b) a monthly rate of from five to fifty dollars per qualified librarian (the rate depending upon the librarians' qualifications). In 1965, provincial grants for library purposes were approximately \$140,000 in the Waterloo Area in total expenditure of more than three-quarters of a million dollars.

The balance of funds for library operating purposes comes from local tax resources. Library boards' budgets must be approved by council annually.

Galt is unusual in soliciting voluntary financial support of \$300,000 towards the \$750,000 total cost of its new library. The entire capital amount has been raised through municipal debentures, and it will be contingent upon the municipal corporation to meet this debt with or without voluntary contribution.

The second system in the Waterloo Area is the County Library. Established on January 1, 1968,



it replaces and expands the co-operative service which operated for about a dozen years in the County essentially to bring library services to school-age children. The County Library does not include the Cities, nor Preston and Hespeler (the latter two, though County municipalities, have chosen to stay out), but does provide for a single library administration for the member municipalities, of which there are ten. The existing libraries in the County became branch units of the County system which is directed by a single board.

The Waterloo County Library Board which gives direction to the County Library is made up as follows: the County Warden, *ex officio*; three members of County Council appointed annually, three other members resident in a County municipality appointed for three-year terms by the County Council.

In all, the County Library system serves some 42,000 people through its branch libraries in Elmira, New Hamburg, Ayr, Wellesley Village and the Townships of Wilmot and Woolwich. No library facilities are located at present in the municipalities of Bridgeport, North Dumfries, Waterloo Township and Wellesley Township.

The County Library Co-operative turned over more than 20,000 books to the County Library system. The latter now provides central purchasing and distribution of books for all its branches from its headquarters building on the Breslau Road in Waterloo Township. To avoid duplicating purchases, selected books are circulated among the various branches before being deposited in one of the branch libraries.

Increased financial support for the County Library (compared to that for county co-operatives) is received from the Provincial Government in which a percentage of the previous year's expense is met through a grant based on the County's equalized assessment. In addition, the County Library receives a *per capita* grant of sixty cents, based on the number of people served. The other major source of revenue is obtained through local levies. This year, County Council on the Board's behalf has required that each municipality which is a member of the County Library contribute 1.75 mills toward the costs of operating the library system. The gross budget of the Library Board for 1969 was \$174,000, and grant revenue received so far is \$33,000 (although the calculation of this amount is a matter of dispute between the Board and the Provincial Government, the former believing that it should be entitled to a higher percentage of approved cost in grants).

The third library operation in the Waterloo Area relates to the Area's participation in what is essentially a regional service to libraries. The Mid-Western Regional Library Co-operative offers library management and administrative services to library systems in the Counties of Waterloo, Wellington, Perth and Huron. Each of these, along with each of the Library Boards for Galt, Kitchener, Waterloo, Guelph and Stratford, sends an appointee to the Regional Co-operative Library Board.

The senior staff of these various library boards form a Professional Advisory Committee to the Regional Director, whose offices are located in the City of Kitchener.

Under the regional library scheme, which became fully operative in late 1968 in the Mid-western Region, the regional library co-operative selects, orders, pays shipping costs, does cataloguing and card indexing, and delivers publications to the twenty-five participating library boards. This operation is carried out at a considerable saving per volume handled, compared to the previous system in which each library handled its own purchases. The regional library processed more than 13,000 books in 1968, the year when it was just getting underway. In that year the Regional Library made expenditures totalling more than \$180,000, almost the whole of which was provided by a provincial grant.

### **The Problems in Providing Adequate Library Services**

In spite of the facilities, books and services now provided, the Commission was told in very clear terms, for the most part by librarians, that libraries generally were failing to meet the needs of the public. The library was described as potentially one of the most important cultural, recreational and educational centres in the community. Yet the present complicated system of authority and financial support does not lend itself to achieving this rôle.

There has been a history of co-operation among municipalities to overcome some deficiencies; the County Library Co-operative is one of these attempts. The Cities of Kitchener and Waterloo have co-operated in making their respective library facilities available to the residents of both cities.

However, it was contended that the co-operative approach will fall far short of assuring high standards to all the people of the Waterloo Area.



There is no way at present, under the permissive legislation dealing with libraries, to ensure minimum standards of useful service over a wide area.

It was also contended at the hearings that libraries have been neglected by local councils, and that as a result a good deal of costly catching up is required to establish the kind of libraries that will be of use to a wide variety of interests. It was asserted that libraries are still sometimes too narrow in their scope. The fact that the growing demands of students in the libraries results in the shift of resources into areas related to the work of the schools was a subject of criticism. The growing needs of a wide range of interest groups must be recognized in establishing libraries.

### ***Observations and Recommendations***

Indeed, the many deficiencies in library service raise a question for the person interested in seeking better facilities and services. In Kitchener, for example, the library board has attempted to establish branch libraries and has been repeatedly turned down by council, which must raise the money but is only indirectly responsible for the level of service. Does the interested person blame the library board, the council, the public school board and/or the separate school board (these latter two make their share of appointments to the library board, as does council) when he considers that something is deficient?

Or, where there is resolve that new facilities are required, are these sufficiently important public facilities that the cost should be met by public support (entirely through taxation), or should a substantial portion be sought through private giving?

Another issue that was raised was the relationship of libraries and other local services. On the one hand, the school boards are providing libraries in the schools for school purposes. In some cases the public libraries are consulted on some aspects of this service, but generally it is, in effect, a separate service. Suggestions that there be a degree of integration and sharing of common facilities and resources were resisted by the spokesmen for the libraries. On the other hand, the Report of the Provincial Committee on Aims and Objectives of Education in Schools of Ontario, 1968, suggested that libraries could well be brought under Boards of Education, not only to achieve integration of normal library services, but also to further the development of adult educa-

tion and similarly oriented programs. (For more detail of that Report see Appendix E). One sensed that the public libraries, while appreciating the increase in resources that such a move might bring, were at the same time afraid that their special interests (which are not particularly oriented towards the formal education system) would be lost sight of if they were absorbed into a much larger organization dominated by a different function.

Questions were also raised as to the rôle of libraries in meeting other recreational and cultural needs of the community. The three city libraries all had some interest in providing places for meetings, for display of works of art, and similar activities — but as incidental to their main book-oriented functions. The suggestions that libraries might be better integrated with other community activities also met a lukewarm response, but with an indication that if more funds and better facilities were available, the scope of library programs could well be broadened. The general impression was of being preoccupied with the traditional responsibility of libraries, with only an incidental interest in related areas — an attitude which is quite proper, since these are their statutory responsibilities and their funds are limited.

The subject of libraries cannot be left without noting that although the schools, public libraries and community programs of recreation all come under the Department of Education, there is no apparent common policy linking activities in these three related areas.

## CHAPTER SEVENTEEN

### FINANCE

#### Introduction

References have been made to the financial aspects of specific activities in the discussions of various services, but some wider perspective is required, because financial considerations are one of the basic elements in carrying on government. Decisions on taxation and finance are fundamentally concerned with how much of the private resources of the Area and the Province — the incomes of the taxpayers — will be spent on public services, and how the public part of those resources — the tax dollar — shall be allocated among the multitude of claims upon it to finance various desirable services.

An examination from the point of finance and taxation alone will tell only a partial story of the problems of local government — it is of only limited use in such matters as land use policy or the quality of services — but an essential part of finance is an information system, whereby a great deal of data can be collected and analysed. If practices are inconsistent or inequitable, information is inadequate, or limitations are placed restricting the range of choices as to how money is to be spent, then the power to make decisions as to how the needs of the community are to be met is impaired, and one should look at the reasons for the apparent inconsistencies, inequities and inadequacies. Examining financial aspects, is limited to only those aspects and may not be very informative about other matters, (such as land use), but it can be very informative.

The relevant aspects of the fiscal affairs of the Study Area are described below in broad terms, focusing upon a comparative analysis of the resources available to each municipality and other pertinent local bodies. This perspective includes some examination of the local financial resources, principally taxable assessment, and the extent of support received inter-governmentally (primarily from the Provincial government). Reference is made to comparative local expenditures and to the extent that these are met from local resources or supported by senior levels of government.

The “mix” of financial resources called upon by local councils and other local bodies is indeed complex. This is not intended to be an exhaustive study of all of the intricacies of municipal and provincial-municipal finance.<sup>1</sup> Nor is it in any

sense an audit or detailed examination of financial management techniques. Rather it is an attempt to ascertain the relative financial strengths and weaknesses within the existing municipal structure, given present and expected demands upon these institutions. This review of fiscal strengths and weaknesses includes some examination of the impact of grants and the effect of the fragmented provincial and local structure and organization upon effective fiscal management in local government.

In this latter context the Commission believes it must state that it does not agree with those who assert that the only real local problem facing government is to find more money, or in other words, as it is often put, is “simply a financial problem”. Questions of cost and sources of revenue are important, but so is the question of whether there is a system to deal effectively with the continuing problems of using limited financial resources well and allocating the funds available among a great variety of competing needs. The political mechanism is the critical element in achieving “best use” of limited funds. Success in establishing accountability is crucial to sound financial management and priority-setting, and indeed to the whole process of government.

Is it realistic, for example, to presume that rational levels of public expenditure will be maintained if responsibility or accountability is parcelled out to many bodies who regard their service as special? Will the proper perspective be maintained between functionally related services, e.g. water and sewers, if the decision-making bodies for these services are separate and distinct policy-making and administrative units? It may be argued that municipal councils now exercise broad budgetary control upon the various boards and commissions in the municipality. Is it really rational budgeting or priority-setting in a functional sense if council advises everyone to cut back on their respective budgets by ten percent? With such a proliferation of responsible bodies, i.e., boards, commissions and councils, the ultimate responsibility for best use of funds becomes obscure, while evasion of responsibility is always possible and often real.

A close examination of the law and of realities would indicate that the degree of financial control varies greatly. In some cases such as education there is no legal control, although councils

<sup>1</sup>For a very detailed analysis of this subject the Commission commends the recent publication *Inter-Governmental Finance in Ontario: A Provincial-Local Perspective*, by J. Stefan Dupre.



as the political body speaking for the whole community may attempt to influence educational expenditures; but this is only moral and political persuasion. In other cases council has quite full control over both total expenditure and particular details as for example, recreation commissions and some planning boards. Even in these areas control may be limited by provincial requirements as to minimum standards of service, and affected by the existence of provincial grants, for which certain conditions must be met.

It is for this reason that so much space in this Report has been devoted to the complicated task of determining who does what and who is responsible for deciding the quality of services at the local level.

The Commission contends that there are problems implied by, and being responded to, in the reforms that "regional government" involves. These cannot be solved merely by applying more money to the present structure and organization of local government, because money alone will not eliminate the confusion and ineffectiveness of the present system. Indeed having additional financial resources may only serve to conceal, or paper over problems. Increasing taxation or grants raises even more fundamental problems as to the level of taxation, and how provincial tax revenue shall be allocated among the competing claims of particular areas and places. There must be some confrontation with the facts about just how much money there is in terms of taxable resources in each municipality and how it is at present being put to work.

The Data Book prepared for the Review includes a wide range of comparative statistics. It is the Commission's intention to rely upon these statistics and to select from them those most relevant to the question of equitable fiscal policy for the local government of the Area. Based upon these figures, an attempt will be made to ascertain the strengths and weaknesses of the present local government arrangements.

The considerable statistical data on the financial aspects prepared for the Data Book is for the years 1960 and 1965. In the interest of saving some time, these detailed data have not been updated, since it is assumed that the general validity of the comparisons still holds. Though the absolute figures are somewhat out of date, and though using figures for only one year offers certain hazards, in a study of this kind the relative positions are of prime importance. Little of significance has happened (some recent adjustments in provincial grant percentages will be discussed

below) to invalidate these observations. In a few instances more recent data have been used where a significant change is apparent, or to illustrate a point.

### **Financial Strengths and Weaknesses**

The only significant local financial resource is the real property tax. However, immediately as one enters upon the statistical comparison of assessment resources among the municipalities, one must make qualifications as to the adequacy of the figures.

The assessment process has always been an imperfect one, but these imperfections were difficult to gauge and were perhaps not too serious when the levels of taxation based upon them were relatively low. The problems related to weaknesses in the assessment process have increased as property tax levels increased and property values have changed rapidly, particularly as the values of some proportions change much more than others. As a result questions as to the equity and appropriateness of the local tax base have become common. These deficiencies became apparent as soon as attempts were made to relate assessment in one municipality to those in another, either for purposes of sharing costs of common services in trying to take into account financial resources as a consideration in determining provincial grants-in-aid, or where there has been a reassessment. For certain limited purposes, including the determination of grants in lieu of taxes on provincial properties, the Department of Municipal Affairs calculates local "equalization" factors. Unfortunately because of limitation of data and the magnitude of the problem these have been based on residential property sales. They therefore are open to error where because of poor assessment practices some classes of property were assessed at different levels (relative to market value) than that applied to residential property. As residential properties are liable to large changes in value, using residential property value changes as an index of changes in the value of all properties, could produce large changes in the equalization factor over very short periods particularly in municipalities in which there were few property sales. Consequently when the equalization factor was used for purposes of tax equalization, as in the case of the new County Board of Education, major changes in tax levels in particular municipalities can and do occur. Another illustration of the difficulty of judging local financial resources because of inadequate assessment



practices is the case of Hespeler where a re-assessment has resulted in a reduction in the assessment of industrial properties relative to residential assessment, which it is calculated will reduce taxation of industry in 1970 by approximately \$100,000, and in a corresponding increase in residential taxes.

The assumption of assessment by the Province, together with the application of data processing techniques and assessment at market value, should bring a reasonable uniformity to assessments so that more realistic comparisons can be made in a few years' time. Fortunately, the re-assessment of the County and the City of Galt on the revised procedures is already well advanced.

In the meantime, however, these are the figures — the assessment data established through equalization factors — that the Commission must use for comparisons. They will offer some improvement in accuracy over unequalized assessment figures which cannot really be compared since they are the creation of their respective assessment departments and are based on different appraisal techniques or definitions.

One advantage of the provincial take-over of assessment as of January 1, 1970, is that the problems of assessment administration need be dealt with only incidentally in this Report. The Commission's impression is that the quality of assessment in the Waterloo Area is considerably better than that in many other parts of the province.

When measuring local taxable resources, considerable importance is normally attached to the assessment ratio: that is, how much residential and farm assessment there is in the municipality relative to the amount of commercial-industrial assessment. One hears a good deal about the merits of a sixty percent residential to forty percent commercial-industrial assessment. Municipalities strive to reach that level in industrial terms (or, if possible, to exceed it) since it is generally considered that industrial assessment is purely beneficial (perhaps mistakenly, because at times councils do not take sufficient account of the costs, both economic and social, that are inherent in industrial development).

The origins of this rule of thumb are obscure. Certainly few municipalities achieve it, and what validity the particular figures ever had has been weakened by the growth of provincial grants, many of which take into account in some fashion the adequacy of local resources, and the introduction of the split mill rate wherein industrial and commercial properties pay property taxes at a

higher level than residential and farm properties. Unfortunately the emphasis on industrial assessment has tended to accentuate the temptation to "plan by assessment".

It is clear from Table 17-1 that there is in fact no guarantee that a "favourable" assessment ratio will be achieved in relative terms simply by arriving at the sixty-forty position. The Table confirms for this Area what was also discovered in the Niagara Regional Local Government Review, that a high commercial-industrial assessment does not assure a commensurately high assessment *per capita* when compared to that for other neighbouring municipalities. For example, Hespeler, with the highest proportion of commercial and industrial assessment, is third highest in assessment *per capita*. The Town of Preston which is third in terms of the percentage of commercial-industrial assessment is eighth in the order of total equalized assessment *per capita*. This finding suggests that a specific assessment ratio offers no guarantee of relative strength in taxable resources when viewed in *per capita* terms, and that many factors must be considered, particularly those that determine the pattern of expenditure. The finding also implies that the achievement of this "favourable" assessment complex will not provide a simple answer to local government problems and reform. Indeed, no municipality, whether of 500 or of 50,000, can feel content having reached "sixty-forty".

Simple formulas such as the assessment rule of thumb will not provide a foolproof substitute for thinking out the problems of orderly growth, suitably located industry and properly distributed populations.

There is a wide range in the proportion of commercial-industrial assessment, from fifty-seven percent in the case of Hespeler to ten percent in the case of Wellesley Township. The equalized assessment *per capita* also has a wide though not parallel range. The City of Waterloo, fifth in the list of "favourable" assessment ratios, is highest in order of equalized assessment *per capita* with a figure of \$2,123 for 1965. The Village of Bridgeport has the lowest equalized (fifteenth position) assessment *per capita*, \$800, but is eleventh in terms of its commercial-industrial assessment ratio.

The range in equalized assessment *per capita* over the Area is from \$800 to \$2,123 — a very substantial spread of \$1,300. The median *per capita* assessment is \$1,432 (the figure for Preston); that is, there are as many municipalities below that figure, going down to \$800 (Bridge-

port) as there are above, rising to \$2,123 (City of Waterloo).

There is, then, a very wide disparity in the taxable resources of the Area. Given this disparity it is still difficult if not impossible to be conclusive about the impact of expenditure and taxation figures, which are next to be examined. This difficulty arises from the fact that a municipality demonstrating a high incidence of taxation may not be doing so simply as the result of financial resource disparity but may be making a deliberate effort to offer better and more expensive services than its neighbour (though this means a greater contribution by local taxpayers), or it may be pursuing unsound financial practices, or it may be faced with unusually high costs for services. For example, while there are certain economies in some services in urban areas, there is also a need to provide a wide range of services and to a higher standard, reflecting the greater dependence of the individual on government as the urban community grows in size and the density of population increases. Other factors affecting expenditure are the composition of the population (are there unusual demands for welfare and education?), the rate of growth (substantial capital expenditure may be required on sewers, roads etc., which must be paid for today but part of the justification for which lies in the future), and peculiarities of topography (which may make some services unusually expensive).

In addition the effect of provincial grants is uneven, (this is discussed separately elsewhere). As Table 17-2 shows, gross municipal expenditure (gross means that the figure includes the provincial grant support) does indeed vary widely in the Waterloo Area in terms both of per \$1,000 of equalized assessment — ranging from the high of \$93.69 (Bridgeport) to \$37.81 (Wellesley Village) as the low — and in terms of expenditure *per capita*, where the high is \$113.30 (Preston) and the low is \$42.28 (Wellesley Village). Again, it must be emphasized that disparity in taxable resources cannot be considered the only variable accounting for differing expenditure. Comparisons of gross expenditure *per capita* are of limited value even between comparable municipalities given the complexity of the comparisons and the inadequacies of the data.

It should be noted that if the recommendations of the committee studying the taxation of farms are adopted, the tax base in rural areas would be reduced somewhat, as farm land would be taxed on the basis of the lower of market value or value as farm land. This would affect mainly those areas

subject to pressure to sell land for urban-oriented uses.

It is apparent that if a single standard of service were to be applied across the entire region with no change in local and provincial financial formulas or local financial organization and structure, considerable differences in the burden of cost would exist among the municipalities. Were it deemed desirable to have a common level of services over an expanded area, or the entire Area, serious disparities would be present in the sharing of those costs, given the present circumstances of local government. The question arises then whether or not it would be desirable to have a single standard, uniform set of services over the Area. Clearly a single standard for all services is not desirable or necessary, but it may be desirable to have a common standard for certain services, as is being attempted in education.

The provision of what are for many municipalities very substantial percentages of provincial grants does not necessarily extend or expand the limited services for these municipalities. Rather, they appear necessary just to maintain a minimum of service. For example, as Table 17-3 shows, the Townships receive by far the most substantial grant support in relative terms, yet their gross municipal expenditures *per capita* for services are considerably below that in the urban areas. Some comparisons will illustrate this. The City of Waterloo makes expenditures for municipal services other than education of which only 6.3 percent are supported by Provincial Grants, and yet that City spends \$105 *per capita*, while the Township of Woolwich receives 33.5 percent of its expenditure in the form of provincial grants and provides a much more limited range of services for an expenditure of \$49.57 *per capita*.

As Dupre shows in his excellent study, the present system of provincial grants is somewhat capricious. It is based mainly on the provision of certain services. If the City of Waterloo wished to spend the same proportion of its revenue on roads as does a rural township, the proportion of expenditures financed out of grants would be closer to that in a rural municipality.

Even with substantial grants, relatively low assessment areas are hard put to provide the level of services that is provided in the city. The degree of hardship can be seen from examining in Table 17-4 the column "municipal expenditure per \$1,000 of equalized assessment". Whereas service expenditure *per capita* in the rural areas is generally only about half that made in the city areas, the demand upon local taxable resources in rural



areas is not half that of urban ones but, in many cases, sixty-five percent or higher. The term rural in this context should be clearly understood. It should not imply only a farm community made up of farm householders — it is a low density “country” setting that may include residents with very urban interests. The place of residence/place of work statistics for the Area bear out this condition in the non-city areas.

It is difficult to make value judgements about this situation, but clearly rural municipalities must make relatively greater demands upon their local taxpayers to achieve minimum levels of service than do their city neighbours. If rural areas wish to have services equal or almost equal to those in the city, it will mean either a much higher relative incidence of taxation or increased provincial grants — or both, (given no change in the present structure and organization of local government and financial resources). Obviously the myth that life is more economic in the rural areas is just that, a myth. It costs more to live in the rural areas when one measures services provided, and this cost is partly shared by everyone who pays provincial taxes because the rural areas’ services are substantially provided by provincial grants. These figures suggest that if society is really serious about making economic use of financial and land resources, then very careful thought must be given to land use and population distribution.

The logic of high costs in rural areas is evident. A low density of population with considerable distances between the users of services makes for higher costs per unit of service. These problems are compounded by the impossibility of achieving economies of scale because of the limited size of the administrative unit. To a large extent this is offset by the lower level of services required and provided. The need for many services is in part a function of the population density. Services which are matters of routine in urban areas are either not provided in rural areas, or else a much lower standard of service is acceptable (as for garbage collection, street lighting and police and fire protection).

An examination of the amounts of taxation levied locally for school purposes again bears out the much higher incidence of school taxation in the rural areas. As Table 17-4 demonstrates, the Townships consistently paid more taxes for school purposes than for municipal purposes, while in the Cities education represented about forty percent of total local taxation. While the Townships ran below the Cities in terms of taxes paid for muni-

icipal purposes per \$1,000 of equalized taxable assessment, in the matter of school taxation it cost residents in the Townships as much as, or more than, those who were City residents. This is borne out in the policy statements made by the Provincial Government regarding changes in school administrative arrangements, where a major argument was that the school services to the rural pupil were not, apparently, as varied and of as high quality as those received by city pupils. In addition rural areas were faced with the high cost of school buses, a very minor item in urban communities.

The Table 17-4 on Municipal and School Taxation also provides an opportunity to examine the relative impact of both these service categories upon the local taxpayers. The impact of school taxation expressed as a proportion of total local taxation ranged from thirty-two percent (New Hamburg) to fifty-five percent (Wilmot Township — which coincidentally surrounds New Hamburg), a very wide variation indeed and a very significant element in local finance. This comment seems almost unnecessary in view of the current and continuing outcry about expenditure on education by municipal politicians. As the Table shows there is within the Waterloo Area considerable variation in the proportion of total taxation that went to school purposes prior to the recent reforms in structure and organization undertaken for schools in the Province. It is not clear yet whether these disparities have been eliminated under the new system. Indeed, many municipalities in the Area have expressed displeasure with the effects of the new formula for distributing the cost of education at the local level. Obviously school taxation will continue to represent a very substantial charge upon local taxpayers.

On the subject of provincial grants generally, it would be inaccurate to suggest that in their sum the grants represent a grand design for service support. In their application a great mass of detail is involved, but, as Professor Dupre has pointed out in *Inter-Governmental Finance in Ontario*, “. . . the provincial grant scene is hyperfractionalized. Given the manner in which grant programs were developed at widely different times and for very different purposes in a world of quasi-subordinate municipalities, this is in large part understandable. But as grant revenue has gradually become a major item in a local budget, it has also acquired an importance that goes well beyond its contribution to any given function and



into the realm of a municipality's over-all fiscal position."<sup>1</sup>

At the same time that grant policy is highly fragmented, so is the municipal structure to which it is applied. Not only is it fragmented among municipalities but also among a multitude of boards and commissions. The two circumstances go together to present a picture of inconsistency, inappropriate emphasis and inequity in service provision. As the Table (17-3) on grants shows, the range of grants as a proportion of total expenditure ranges from 6.3 percent (Waterloo City) to 33.5 percent (Woolwich Township). The Commission will not retrace the thorough examination given the field of provincial-municipal financial relations by Professor Dupre. Some aspects are touched on in the sections of this Report on particular services. It will be sufficient to say that many of his findings about the complexity of the grant structure and its seeming inconsistency are confirmed in the Waterloo Area. As an example of this, one needs only to examine in Table 17-5 the provincial support for roads. The City of Waterloo expended some \$605,000 for various categories of roads in 1965, of which only seven-tenths percent was covered by Provincial road grants. On the other hand, the City of Kitchener received fifty-eight percent of a \$4,850,000 expenditure on roads in the form of provincial road grants. Much of this differential is accounted for by the fact that Kitchener's road program had more in it of an "approved" nature than did Waterloo. And it is the system of approvals that will continue these differences in actual support levels, in spite of the raising of the grant level to fifty percent for cities. Nonetheless, the differential in this case is quite substantial and can be seen in other comparisons. The Township of Wellesley had a road program costing \$110,000, of which sixty percent was met by provincial grants, while the Town of Elmira spent \$88,500 on roads and received only thirty-one percent of that amount in road grants. The great danger for local government in a complex system based upon approvals is that it is not certain that the provincial grant system will automatically detect the needs of the locality. Indeed, one of the purposes of most grants is to persuade the municipalities to favour certain activities. The danger is that municipalities may be persuaded to ignore the real problems of the community in favour of those that will receive the most provincial aid.

It would be too much to expect anything else of a system whereby the provincial government provides grants for swimming pools but not for

(city) sewage treatment plants, for traffic studies but not for general municipal planning. It has been known for a municipality to overlook or even to be unaware of grants for which it is eligible.

The real impact of a fragmented grant program upon effective priority-setting at the local level may be that the central government in effect becomes the operative governing body through its conditional grant system.

A further impingement upon clear local responsibility arises from the practice of many boards and commissions of receiving the money they wish to spend through their respective local councils. These often include special purpose boards and commissions whose jurisdiction includes two or more municipalities. Again there is a lack of clarity about who is accountable for the expenditures by parks boards, library boards, school boards, conservation authorities, health boards, recreation boards and welfare agencies—to mention a few. As Professor Dupre asserts, "To the extent that special-purpose authorities are created simply because existing municipal boundaries are inadequate for efficient municipal performance, they may in fact have responsibilities which, in a proper governmental setting, would be considered local".<sup>2</sup>

### Debt

A clear picture of the capital expenditure by, and debt of, the various local governments in the Waterloo Area is almost impossible to achieve. Although the Dominion Bureau of Statistics and the Department of Municipal Affairs have been trying to establish a uniform classification of accounts for thirty years, and much progress has been made, there are still serious deficiencies in financial information. Until 1969 every municipality did not follow the same definition of what constitutes a capital investment to be underwritten by debt financing. Some may wish to pay for capital or fixed assets immediately out of current levies; others may wish to issue debentures to cover capital items. As well, provincial policy varies regarding the support for capital costs in the municipalities. Road grants are normally paid as capital grants on a project basis, which helps to reduce the borrowing that may be required locally. Public utility capital expenditures may be financed out of current revenue, or by borrowing (the debentures being issued by the municipality). Which practice is followed depends partly on the

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<sup>1</sup>Page 60.

<sup>2</sup>Page 88.

policy of the particular utility and partly on the nature of the expenditure, with a 'normal' level of capital expenditures being financed out of revenue, and unusually large expenditures by borrowing. Schools are financed by capital borrowing, with grants being applied on principal and interest payments (with a few special exceptions in the past). Up to 1969 for school construction the municipality borrowed the capital sum, while the Province met a portion of annual debt charges in the form of annual grants, which might vary from year to year, depending on the structure of the grant formula. This was changed in 1969, when the County Boards of Education were given authority to borrow directly from the Province, but the payment of principal and interest is a charge on the local taxpayer, as part of the tax levy for education.

The debt position of a municipality as published in the financial statements may then have to be qualified by a number of factors.

- a) Gross debt includes public utilities debt which is self-liquidating, and therefore is only a contingent liability against which there are usually substantial assets.
- b) Where sewage and water facilities have been constructed by the Ontario Water Resources Commission, they were not always shown as a liability of the municipality. This practice is changed for 1970, but comparisons for or with earlier years may have to be qualified.
- c) School debt incurred by local school boards prior to 1969 is shown as part of the debt of the municipality. The debt incurred after that date by the County Board of Education is not.
- d) Kitchener borrowed some \$5,700,000 for hospital additions, the payments on which are in part liabilities of various municipalities in the Area.

Similar problems occur in determining capital expenditures and the weight of debt charges in any given year, although the complications are different and arise particularly where capital expenditures are made by the numerous joint boards, or where there are provincial current grants on capital expenditures or debt charges.

With these qualifications, then, it is difficult to reach conclusions about the relative weight of debt across the Area. No municipality in the Waterloo Area (as Table 17-6 shows) has a debt *per capita* shown above the provincial average in 1965: \$259. Taken as a whole the Area had a debt picture that year, in *per capita* terms, which was considerably below that for the Province.

The only safe observation to make without intimate knowledge of each municipality's debt situation is that a low debt *per capita* is not necessarily reflective of a sound community. It may simply be symptomatic of a corporate unwillingness or financial incapacity to meet the basic needs of that community. The big question for many of the smaller municipalities, in terms of population and financial resources, is whether in the face of a burgeoning urban population the need to provide the facilities required by civilization can be met without taking on crushing loads of debt. Present debt, which is comparatively low, rather than implying a financial integrity that has somehow eluded the cities, may simply demonstrate that the municipality is not only low in debt but is also low in assets. Rather than being a comment on financial management it may only mean that either services are not being provided to meet the needs of the community, or that no major problems have yet been encountered. In some cases low debt may simply reflect the ineffectiveness of the municipal unit to meet its responsibilities, for no other reason than that it lacks the kind of financial base to handle levels of debt appropriate to an increasingly urban society. Perhaps the proof of this is offered by the experience of Bridgeport, whose environment is urban and whose council has obviously tried to provide urban facilities, but only at a great cost relative to that small municipality's taxable assessment. Similar problems are faced by Ayr and Baden, as is discussed in the section on water and sewer services.

It would appear that given the present structure, organization and fiscal base of many of the now rural municipalities, these would encounter some considerable difficulty in terms of their financial capacity in adapting to rapid urbanization. On the other hand, those municipalities which have had the problems of urban circumstances for some time suffer from confused and divided responsibility in allocating limited financial resources; a comprehensive approach is difficult if not impossible for them to achieve.

### **The Local View of the Financial Problem**

Every municipal brief submitted had something to say about finance. The problem was consistently viewed in the context of not enough money to do all the things needed to be done. There was concern over a number of points of financial significance. The most perplexing difficulty concerning finance appeared to be the "battle for assess-



ment". Not surprisingly, with property tax as local governments' main immediate financial resource, and given a large number of municipal entities within the Area, vigorous competition takes place among the municipalities to improve their respective assessment ratios.

The County of Waterloo stated in its brief that this battle is carried on by the municipalities with no regard for others. The County expects that the condition will grow worse because the pattern has been for larger urban centres to annex large parts of abutting municipalities. It follows, asserts the County, that greater urbanization will bring greater competition for industry if the present local structure is not changed, and will ultimately result in the County's becoming an uneconomic unit.

The related problem of disparity in financial resource between and among the Area's municipalities appears to cut two ways. Not only does the imbalance in assessment create inequity in the cost burden for services, but if municipalities have inadequate financial resources, they find it impossible to provide the quality or kinds of services expected. The Town of Hespeler suggested in its brief, "... with the changing times, people are now demanding the same standard of living conditions provided in the larger municipalities of the area and the Province. Because of this and the high cost of presently overlapping services, a solution must be found."

Another facet of the financial problem resulting from fragmentation is that of poor land use practices. Municipalities tend to encourage industrial and commercial development because of the attractive assessment price-tag these bear, and pay insufficient heed to the suitability of the development to the given environment. Such encouragement has been remarked upon elsewhere in the report under the label of "assessment planning". Both Galt and Kitchener in their respective submissions called for an end to damaging competition for industry and commerce. The City of Kitchener asserted that municipalities, in the circumstances, deliberately desert planning principles because of financial needs.

At the same time, on being questioned, all municipal representatives agreed that, even if taxation were not a consideration, competition for industry would not be eliminated because of the desire to broaden the employment opportunities for local residents and further the development of the municipality.

In view of the limitations of property assessment as a means of support for local service responsibilities, several of the briefs called for

more revenue aid from the Provincial government, either in the form of increased grants, with greater freedom in determining their use, or in the form of new tax sources for local government (although no specific tax was mentioned). This in fact is the trend, that as the real property tax becomes less appropriate for financing the growing range of services not solely related to the local community, real property provincial grants, which are financed out of taxation of income and of other forms of wealth and which lend themselves to centralized collection, are growing.

The major concern, then, was a disparity in already limited tax resources coupled with less than appropriate land use practices in attempting to maximize local dollar resources through increased industrial-commercial assessment.

Other problems in financial arrangements were raised. The Town of Preston expressed serious misgivings about the services received from the County in relation to Preston's contribution to County revenues. The Town regards its responsibility for contributing to such activities as libraries in other County municipalities as somewhat unfair when the Cities are not required to help.

### **Some Problems of Municipal and School Finance**

As this Report is prepared, the new school arrangements are still in early stages of becoming established. There are, however, some lingering problems for which immediate answers are not yet visible. A question mark remains with respect to the assigning of debt for school purposes. It is the Commission's understanding that it has not yet been conveyed to municipal treasurers how the matter of municipal debt and school debt will be resolved in terms of allowable debt limits. Will, for example, a school located in the City of Waterloo, under the new County Board of Education arrangements, be assigned as a debt entirely to the City of Waterloo, or will some formula be applied to spread the debt over all the Area municipalities? What account of this debt will the Ontario Municipal Board take in ruling upon municipal debt limits?

It would be less than accurate to describe the relations between municipalities and the Board of Education as entirely amicable. Far from exuding a sense of partnership in serving the same people, there is often a definite aura of hostility in the relationship. On the one hand there are instances of a mayor refusing to sign a cheque, thus holding back school funds, and on the other hand of a



school official tersely agreeing to provide only the minimum information required by law about the school budget.

The need for reform in educational administration stemmed from major inequalities in the quality of education and the related matter of the sharing of the cost of supporting sound educational programs.

On the face of it, it is apparent that rural dwellers (that is, those people resident in the Townships of the Waterloo Area) were receiving inequitable treatment in two important ways — the quality of their educational program was generally lower than that offered in the Cities, and the relative cost of the program was generally higher for school costs than for general municipal services; e.g. as noted earlier school costs took about forty percent of all local taxes in the Cities while in the rural areas school costs were generally more than fifty percent of all local taxes. As well, expenditure *per capita* for schools consistently ran higher in the rural areas than in the Cities of the Waterloo Area.

It is also apparent that one of the benefits to be achieved under the new, more broadly based school administrative units was to reduce the “inequities” or disparities between urban and rural areas in their respective burdens of the local cost of education.

The Commission simply does not have enough knowledge to comment upon whether or not the disparities in the quality of education from area to area are being overcome under the County Board of Education approach and it will take time before many changes can be made. But financial matters are another thing, and the available statistics show clearly that in the first year the formula for distributing local school costs not only failed to erase the so-called inequities, but in fact made the relative disparities even worse.

This is shown in Table 17-7. The formula used, though complicated in its actual application (there is one set of factors for distributing secondary school and another set for public elementary), in general terms is based upon the concept that local education costs (that is, those costs left to be met from local municipal resources after provincial legislative grants have been applied) should be shared among the municipalities in a given area in direct proportion to each municipality's share of the total equalized assessment of the Area. When this formula was applied in 1969 to the cost of education to be shared among the municipalities within the Waterloo County Board of Education, the Cities of Galt and Kitchener

actually experienced a relative decline in their share of area local school costs compared to those for 1968. At the same time, all of the Townships, through the formula, were expected to pay greater shares of area local cost than they had in 1968. The Cities, overall, had their share reduced by a little more than one percent while municipalities like North Dumfries and Wilmot had their shares increased by nineteen and fifteen percent respectively. The Townships generally experienced an increase of about eleven percent.

Every municipality including the Cities had to pay an increased amount of levy because of the general education cost rise<sup>1</sup> to the Waterloo County Board of Education, but the increase varied considerably. Again the Cities and the Towns had the smaller increases, thirty-one and twenty-nine percent respectively, while the Villages and the Townships were asked to pay, as groups, thirty-eight and forty-seven percent more. The highest percentages were for North Dumfries, fifty-nine percent, and Wilmot, fifty-three percent.

Now it may be that by itself the formula for distributing local education cost is eminently fair and equitable. But what was apparently overlooked in inserting this formula into the existing cost-distribution system is the fact that the Department of Education had already acknowledged that where the relative share of assessment is low, proportionately higher grant support should be given. The previous grant system worked in such a way that it was able to discriminate in favour of those municipalities with the least resources more than the new one.

Compounding the increases in local cost due to the distribution formula was the fact that the composite approach to calculating the provincial grant, that is, calculating it for the entire area, had the effect of changing the weighting of assessment and thereby reducing the net share of total education costs supported by grants from 37.2 percent in 1968 to 35.9 in 1969. How much of the reduction in grants is the result of expenditures going beyond levels approved by the Department of Education is not known to the Commission. An examination of Table 17-8 will show that

<sup>1</sup>The Waterloo County Board of Education's budget for 1969 represented an increase of 14.99 percent over the combined budget for all boards operating in the Waterloo Area in 1968. This is not strictly accurate, however, because the combined figures for 1968 do not take account of the fact that there are transfer payments from board to board. Because these payments are not subtracted from one or other of the paying or the receiving board, double counting of expenditure takes place. A board official estimated that transfer payments would account for about \$1.25 million of the 1968 combined budget of \$29,444,010. Without double counting of the estimated transfer payments, the actual expenditure for public school purposes in 1968 is more nearly \$28,200,000 which would mean that the increase for education expenditure in Waterloo County in 1969 over 1968 was closer to twenty percent.

some municipalities had enjoyed very substantial provincial grant support under the previous system.

Again, the formula proposed may be indeed just; applied as it was, however, it created tax shifts that were intolerable and in turn led to the virtual abandonment of the formula when subsidy grants were applied in an effort to even out the impact of the new administrative arrangements and avoid a taxpayers' revolt.

The general effect of the revised form of the subsidy grant has been to give a considerable reduction to the increase that would otherwise have been experienced in most of the rural areas of the Waterloo Area. The increase has been reduced for Galt and Waterloo as well, but not to anything like the same degree as that for the rural parts of the Waterloo Area. The additional grant to reduce the impact of the new arrangements did not apply to Kitchener because of its large population.

More examination should be made of the problem of achieving equity in the distribution of education costs. Why, for example, is the educational program deficient in the rural areas, and why does it cost more in relative terms? Why does it fall to the Cities to provide the money to solve rural problems when economists and social scientists are telling us that the real property tax is not a good tax for paying for personal services like education and for transferring money from one segment of society to another, that the big problems are in the cities and it is there that the bulk of public funds, in increasing amounts, must go to solve urban problems? It is generally accepted as important that every resident of Ontario should have an equal opportunity for education but it is in devising financial and administrative arrangements to achieve this goal that problems arise. It is one thing to accept the notion that people living in local communities large or small have a right to determine the level of local public services they wish. If communities are very small in numbers and spread over rather wider areas, the level of service may be very low by choice and by pressure of high per-unit cost. This begs the question, however, why it is that the province should feel obliged to apply a provincial standard, in this case for education, in circumstances which yield comparative diseconomies — the comparison being made with the more densely populated cities that are required to yield the bulk of public funds to support these common provincial standards. Upon examination it is interesting to note in this analysis that many of the so-called rural municipalities

contain people who depend directly upon urban employment for their living — but they do not accept urban patterns of living. In North Dumfries, for example, the percentage of the Township's working residents employed in the Cities of the Waterloo Area is well over seventy percent. The case for subsidizing *bona fide* farmers is one thing — the case for city dwellers subsidizing urban-oriented people who reject the kind of concentrated spatial environment that brings with it certain economies is quite another (North Dumfries in 1968 received the equivalent of fifty-two percent of its school budget in provincial grants — the City of Galt received thirty-seven percent support). This seems to point to a need for an examination of policies that discourage the kind of growth that leads to demands for relatively more expensive public services such as school facilities and extends to a broad range of municipal services, raising major problems relating to the control of land use and the future form and location of development.

At this time the question of equitable distribution of education costs is still not completely answered. It appears that the answer lies not only in close financial analysis of relative ability to pay but also in insisting upon orderly growth — not necessarily growth that excludes all considerations save efficiency but which recognizes that there is some inequity for the city dweller when he must support the inefficiencies of the non-farm rural dweller.

One other aspect in the financial sphere is also apparent. Passing reference was made in the Chapter on Education to the level of cost as one of the critical factors in public policy. It is apparent that the level of education cost to be absorbed through local tax resources will continue to represent a very substantial charge upon those resources. It is acknowledged that education will properly demand a very high priority in the scale of local public services for as far as one can see into the future. The word "priority", however, implies that some consideration has been given to other public needs in the community in arriving at the quantity of funds to be allocated. The evidence available in the Waterloo Area suggests that little attention is paid by school boards to what demands are being made by councils or other public bodies upon taxable capacity assessment in the community. The present arrangement clearly does not encourage a system of rational priority-setting in which the wide spectrum of public needs are viewed in their relative — rather than their absolute — importance.



## **The Problems of One-Tier and Two-Tier Financial Arrangements**

Much was said in the briefs about reducing disparities in assessment and financial resources. Two general approaches were offered, commonly referred to as one-tier local government, that is, all existing municipalities are amalgamated into one, and two-tier, in which a single municipality would have certain specified and common services over the whole Area, while other services would remain responsibilities of local municipalities — a federal system of local government like the present county structure.

One - tier local government is perhaps the simplest form — it is at the same time both regional and local government all rolled into one. In this simplification rests its great weakness. The matter of local government is very complex, and while one-tier government may offer administrative simplicity, if applied on a wide geographical base it may not properly reflect the differences that mark various localities. Indeed, this approach may provide a very poor approximation of democratic government if the institutional arrangements fail to recognize important differences. At first the financial arrangements appear to be simple enough, and conducive to the proper planning and orderly development and location of industrial-commercial facilities. There is indeed a neat pooling of local tax wealth. Taken over a wide area, however, disparities in service objectives and service requirements can inject one or both of two main problems. There may be created a pressure for immediate improvement in service standards to a common level for the whole area. This may accelerate demand beyond reasonable limits. It is one thing to try to raise the general level of education service by enlarging administrative units; it is quite another to create the conditions which would result in pressure for improved and equalized services across the broad spectrum of municipal activity. Such reform would be not unlike opening Pandora's Box. For example, to establish one-tier regional governments wholesale, across the province, would exert heavy pressures upon every municipal service, not always with justifiable demand — except in the sense that there would be a common tax rate for the area so that those receiving a lower standard of service in the new area would expect standards at least equal to those enjoyed by their new fellow residents. While differences in standards of service would be taken into account in assessment to some extent, it is

difficult to persuade voters that not everyone is entitled to essentially the same standard of service. The process of "levelling-up" rather than striking an average level of service is apparent in every large scale annexation and amalgamation. The result is bound to be a large increase in public expenditures and taxes. Better value will be received for taxes, and inequalities in services and some inequities in taxation will presumably be removed, but the question remains as to how much of an increase and levelling out is desired by the public in the face of competing demands on income.

On the other hand it is argued that the real property tax is not a good tax for financing social and personal services such as welfare and education, or where the demand for the service is related to more than local needs. To the extent that the weight of the real property tax is increased relative to other taxes which are more directly related to income, both a one-tier system has greater disadvantages than has a two-tier system.

The other main problem with one-tier reform arises from the attempt to rationalize or neutralize the accelerating demand for services. The effort may be made to put a brake on this acceleration of demand by setting up limited service and special tax areas. This approach may only lead to problems in distribution of service and financial support, and may raise real questions of representation if "low" service areas are correspondingly small in population and are not receiving the kind of treatment they feel they ought to receive.

The weakness in the two-tier approach in terms of financial administration is that it may very easily become very complicated. The complicated formulas may not be restricted to matters of finance: there may be problems of representation and accountability as well. One does not see a neat pooling of taxes. Instead, residual benefits continue to accrue to the municipality in which industry actually locates. A continuing debate may exist over the division between the very local tier and the regional tier, and about whose financial requirements should be met first and who should have responsibility for which service. The latter point is vital, because it determines at which level the big expenditures will be made and how many there will be.

The acquisition of adequate parks and recreational facilities and the proper functioning of effective and purposeful social services will cost many thousands of dollars. Adequate police and fire protection will cost more money, not less.

It must be clear that neither the one-tier nor the two-tier approach is without difficulties. There



is, alas, no panacea for the problems of raising money.

It is also clear that the present system offers no real solution for the problems of an increasingly urban society. The present system has demonstrated that it does not provide the kind of basis necessary for determining need and arriving at effective choices in the use of the public money available. New avenues must be found. Very difficult decisions have to be made about how much money is available for which projects. The very number of necessary projects and the high cost of money make it imperative that a clearer system of priority setting be evolved.

It would be a delusion to believe that more money is automatically created because two or more municipalities join together. But new administrative and structural arrangements could improve the way we put that wealth to work. New benefits may be achieved or become economic under new consolidations. While society's needs will continue to outstrip the financial resources available to fulfill them, and difficult choices will remain as a condition of life, perhaps the most important achievement through reform will be to establish responsibility, so that the vital choice of priorities in public services can be made.

### **The Need for Capital Expenditure**

The scale of the capital investments necessary to keep up with the growth in the Area and the need to improve the level of public services is indicated by the list of some capital expenditures below. The list is by no means exhaustive, but does give a view of the extent of the need and the large questions of policy involved, particularly for the larger urban centres.

5 year capital forecast for Waterloo County Board of Education	\$40,326,000
Grand River Conservation Authorities Dam and Reservoir Scheme	44,200,000
K-W Hospital Addition	16,000,000
Kitchener's Urban Renewal Plans	16,000,000
Preston's sewage treatment plant	1,000,000
Hespeler's sewage treatment plant	1,465,440
Bridgeport's sewage system	500,000
Baden's sewage system	500,000
Kitchener's 5 year forecast of servicing costs to subdivision developments	7,800,000
Galt's Public Library	750,000
Kitchener's Parking Garage	1,300,000
Kitchener's 5 year capital forecast for parks and recreation facilities	1,365,000
Major road works	84,000,000

### *Conclusions*

The financial problems in the Area seem to have two roots: growth of population, and demands for more and better services as incomes rise and urbanization continues. These changes have made obsolete the traditional dependence on the real property tax, supplemented by provincial grants where there was an obvious deficiency in resources or provincial interest in a service. This pattern is changing rapidly, with a growing recognition that if municipalities are to meet their responsibilities they need access to other and more appropriate sources of revenue, through additional taxing powers or increased provincial grants. While information on the increase in the level of grants in the Area is limited, the pattern for the province is clear.

In table 17-9 the totals of all provincial subsidies to local bodies are shown. There is no reason to believe that the Waterloo Area does not conform to this general picture, although the relative importance varies from one municipality to another, as has already been indicated.

In giving the municipalities additional powers of taxation, one problem is, that, for technical reasons, most of the taxes which would produce large amounts of money are best collected centrally.

Moreover, provincial politicians are bound to give priority to provincial services and spending, and therefore are not likely to give up sources of revenue. Provincial civil servants are bound to be biased in favour of the provincially related aspects of local government, and keeping local governments on a short leash financially gives the Province a further degree of control. Given sufficient will, means of meeting the various objections could be found, but the real question remains, is there the will to do so? The alternative to giving more revenue is to increase grants: to some degree this is inevitable, considering the joint provincial-local aspects of many local services. The question as to whether these are to be conditional or unconditional grants is a fundamental one touching on provincial-local relations, and the local capacity for decision-making. Again, unconditional grants have great advantages in achieving minimum levels of service, ensuring a degree of standardization of service across the Province, and of making possible joint programs (or programs which are centrally financed but locally administered, such as welfare). Unconditional grants do distort the process of setting priorities locally, and place many constraints on how local

bodies conduct their affairs. Less evident are the disadvantages of eroding local responsibility and stressing the provincial interest — often a narrow interest in one particular activity — against the local interest and what is in many ways a broader outlook.

The following quotation from Dupre's study is appropriate:

"Grant programs may well have evolved in response to the major social challenges of our time. But they have also been allowed to accumulate in a haphazard fashion, without regard to over-all municipal finance, without regard to financial and administrative criteria, without regard even to how many and what grants already exist."<sup>1</sup>

These arguments are essentially the same as those used in federal-provincial conferences: in provincial-local financial relations, the province is on the other side and therefore uses essentially the same arguments as the federal government uses in the other context. (In the case of provincial-local relations, the province has much more say than has the federal government in federal-provincial relations, because of the different constitutional position and the fragmented nature of local government.)

The basic question remains, where are needs greatest? A precise answer is not possible, but the main considerations in allocating new revenue should be 1) where resources are least, 2) where need is greatest, 3) for services for which the real property tax is least appropriate, and 4) where there is a strong provincial interest. Two other considerations entering the picture are where there has been the greatest rate of change, and where there are the largest number of people.

Change is expensive in terms of public service, for not only is the kind of service required affected, but also a high proportion of municipal services involve large capital investments for schools, roads, sewers, watermains, etc. The change tends to be greatest in the urban areas where the highest standard of services is required as well as the greatest capital investment.

The crucial importance of increasing the financial capacity of urban areas was stressed by the Economic Council of Canada in its Fourth Review:

... there is now a widening gap between the expanding responsibilities and the revenues of the larger cities of the country. This is now a nation-wide problem, and it is clearly necessary either to shift further responsibilities and related costs to higher levels of government or to

develop and support local revenue systems so that they are more closely related to both the benefits and burdens of an increasingly complex, urbanized society.<sup>2</sup>

Excerpts from the Review in which the problems of local government finance are considered are contained in Appendix F.

The dangers of ignoring the financial problem of urban areas are shown in the arguments for establishing the County Boards of Education, one of the reasons advanced being that one way of meeting the costs of upgrading education in the rural areas was to give these areas access to financial resources of the cities. The reasoning was sound, but its application overlooked a number of factors. One was that the greatest pressure to increase spending on education is in the urban area because that is where the largest numbers of children are, even though the value received in quality of education in rural areas per dollar spent may be lowest and may therefore require the largest increase in expenditure per pupil to equalize opportunity. Another thing overlooked was that rural areas already had access to urban wealth, because that is where most of the provincial tax revenue is found. Furthermore, if you wished to transfer more money from urban to rural areas by means of taxation, the property tax is not a good way to do it, as is evident from the frequent request that education should not be financed out of the taxation of real property at all.

From the foregoing it is evident that far-reaching changes must be made in the financial and taxation aspects of local government, and particularly in the provincial grants and the studies initiated by the Committee on Taxation (the Smith Committee) are continued.

## **Observations and Recommendations**

The points emerging from the foregoing discussion may be summarized as follows:

1. There are great differences in the financial capacity of the various municipalities, the main factor being the character of the municipality, the large urban municipalities having considerably higher assessment per capita than the rural townships and smaller urban centres.
2. The demands on the municipalities also vary greatly, with rural municipalities spending most of their resources on education and

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<sup>1</sup>op. cit. page 33.

<sup>2</sup>1967, page 269.



roads and urban municipalities supplying a wide range of services, the extent of which is dependent on the size of the urban complex more than on the size of the municipality.

3. While there is a relationship between needs and resources as described in the two points above, there are also cases where the gap between needs and resources is greater than in others.
4. There is a growing range of services which are of interest to more than one municipality, and often that area of interest includes a strong provincial interest.
5. The provincial grants in certain respects do attempt to recognize the inadequacy of depending on the real property tax as the main source of revenue by giving greater grants to those municipalities with the greatest deficiency in resources and the highest costs, and by, in effect, sharing the cost of certain programs.
6. The net effect of provincial grants is difficult to determine because of the number of grant programs (well over a hundred), the complexity of the factors taken into account in determining grants, and the existence of a number of special purpose bodies which receive grants directly.
7. While the rural areas have the least resources, it is in the urban areas that the great bulk of the population lives, who require more services to a higher standard, and the problems of growth requiring large capital investments are largely urban.
8. The problem of assessing need must become much more oriented toward urban problems in future.
9. There are serious problems in assessing needs and resources and the effectiveness of services because of basic deficiencies in information. Some of these deficiencies are being overcome by instituting improved accounting and reporting techniques.
10. Many of the problems arise from local government being concerned in large part as a bundle of services, many of which require special arrangements, but with limited concern as to how those special arrangements affect the over-all pattern.

The problems of debt and how they are related to other aspects of the problems of local government in the Area are well illustrated by the proposals of the new Health Unit to acquire office space by entering into an agreement with a developer whereby he

will construct a building to the Unit specification at a cost of \$294,000. It will be leased to the Unit for twenty-five years, at the end of which time it will become the property of the Unit. The main object of this procedure is that the province will pay a seventy-five percent grant on rental expenditure, but will not pay a grant on the purchase of land for a new building. One problem is that the Unit's budget must be approved by the County and each of the three Cities, in addition to the requirement that provincial grants are only payable on those items which the province designates as eligible for grant purposes. As a result adaptation of the budget could be delayed for a period, if not permanently, if any one of the municipal partners was not in accord with the budget as presented. This problem of budget is a chronic one with joint special purpose bodies. To make their budget subject to approval of all the municipal councils involved may be tantamount to giving a veto to one municipality (the Waterloo Area Planning Board has had chronic problems in negotiating its budget). At the other extreme giving the right to adopt a budget without approval by a municipal council raises the issue as to whether the taxpayer should be fair game for all competing claims or is there to be some means of sorting out priorities. Fortunately, these matters rarely reach the stage of extreme positions being taken and parties standing on their legal rights. Perhaps it might be better if they did occasionally. Certainly one is left with the nagging feeling that in some cases certain services suffer from financial undernourishment because they are the responsibility of an independent body without sources of funds except through council. In other cases it is apparent that if all of the financial picture could be seen at one time that certain services have got more than their share of the limited financial resources available, because they are in a privileged position with certain financial prerogatives in terms of rights to demand payments or to have a claim on certain revenues.

At the very least, the existence of special bodies with different jurisdictions, with differing means of access to provincial grants, with different budgeting, accounting and capital financing positions, adds one more series of complications to what is already an exceed-



ingly intractable problem, determining how much the various services cost, who benefits from them, and how they are financed. Considerable progress has been made in recent years in improving the quality of financial reporting so that reports are on a more consistent basis and in a more meaningful form, but there are still serious inadequacies, the reasons for which largely have nothing to do with accounting. Unless we are able to get meaningful answers to these problems, how can we say that we have a system of government which is responding to the needs of the public, and which is financed in an economic and equitable manner?

11. Any wide ranging municipal reforms will mean shifts in taxation which may be very significant for some municipalities and some individual taxpayers. Some of these may be due to their not paying an equitable share at present, others due to unpredictable, random effects of the complexities of the local government and the provincial grant structures.
12. The implications for increased costs of services in certain land use policies or lack of policies, has been given insufficient recognition due to a pre-occupation with revenues, a pre-occupation which is inevitable given the inadequacies of the municipal revenue sources and the emphasis on the financing of particular services.
13. A clarification of jurisdictions, so that it is clearly understood which are the provincial interests and which the local interests, is essential if there is to be any rational grants policy, for until there are clear guidelines on conditional grants, it is impossible to assess the need for additional financial resources, including unconditional grants, accurately.
14. The multiplicity of grants and the great variation in the nature of the conditions attached to most of them arises at least in part because, in the profusion of provincial and local bodies involved, it is impossible to obtain any clear idea of who is responsible for what, or whether policies are consistent. Many of the grants are so minor as to raise questions as to why bother. Others are so elaborate that their precise effect is impossible to determine and the volume of administrative and accounting procedures which they generate must be very costly to both the local and provincial levels. At the same time questions

of perspective are raised as to why grants are made for some activities while none are made for items of high priority. One obvious conclusion is that the problems of local government are not so much shortage of funds for particular services — where there are grants the standards of services are often very high — as a general shortage of funds, particularly in urban municipalities and for capital expenditures. This only reiterates the need for an increase in unrestricted local revenue sources, a central clearing procedure on local grants.

As noted by Dupre<sup>1</sup> the recommendations of K. G. Crawford<sup>2</sup> on this point are still valid and are worth quoting again.

Much progress might be made toward reducing the conflict of aims in the various grant plans and toward eliminating duplication of effort and waste of time at the municipal level if all grants were handled through the departments of municipal affairs or if at least the basis of grants, the conditions attached, and the type of reports, forms and records required were cleared with the municipal department before being put into effect. It is only reasonable to expect that the departments of municipal affairs will have a better understanding of the over-all local problems than will any of the other provincial departments. They should be able to assist in advising on the effect on local authorities of conflicting grant aims and in eliminating some of the problems of compliance. The municipalities should have the benefit of the skills and experience of the municipal departments in this regard, even at the expense of inter-departmental jealousies at the provincial level.

#### *Recommendation*

That the Department of Municipal Affairs be made responsible for grants. At the very least it should have increased responsibility for co-ordinating all aspects of grants, including the accounting and administrative procedures.

<sup>1</sup>Page 99.

<sup>2</sup>Canadian Municipal Government, Page 366.

Table 17-1

**COMMERCIAL-INDUSTRIAL ASSESSMENT RATIOS BY MUNICIPALITY  
AND PER CAPITA EQUALIZED ASSESSMENT BY MUNICIPALITY  
IN THE WATERLOO AREA RANKED IN DESCENDING ORDER, 1965**

(Based upon 1964 equalization factors)

	Portion of Total Equalized Assessment Represented by Commercial - Industrial Assessment	Rank	Total Equalized Assessment Per Capita	Rank
	%		\$	
Hespeler	57	1	1,625	3
Elmira	47	2	1,595	5
Preston	46	3	1,432	8
Galt	45	4	1,597	4
Waterloo (City)	44	5	2,123	1
Kitchener	43	6	1,900	2
New Hamburg	42	7	1,156	10
Ayr	40	8	1,035	14
Wellesley (Vill.)	32	9	1,117	13
Waterloo (Twp.)	31	10	1,524	6
Bridgeport	23	11	800	15
North Dumfries	17	12	1,487	7
Woolwich	13	13	1,125	11
Wilmot	12	14	1,183	9
Wellesley	10	15	1,118	12

Source: Data Book, Waterloo Area Local Government Review.

Table 17-2

**MUNICIPAL EXPENDITURE IN THE WATERLOO AREA  
BY MUNICIPALITY, 1965**

(Gross current expenditure but excludes education)

	Per \$1,000 of Equalized Taxable Assessment	Per Capita
	\$	\$
<b>Cities</b>		
Galt	58.47	93.38
Kitchener	57.97	110.14
Waterloo	49.64	105.37
<b>Towns</b>		
Elmira	58.41	93.14
Hespeler	48.85	79.37
New Hamburg	71.08	82.22
Preston	79.13	113.30
<b>Villages</b>		
Ayr	62.24	64.40
Bridgeport	93.69	74.93
Wellesley	37.81	42.28
<b>Townships</b>		
North Dumfries	39.42	58.10
Waterloo	44.87	68.39
Wellesley	47.75	53.39
Wilmot	43.67	51.70
Woolwich	44.00	49.57
County of Waterloo	27.19	36.71

Source: Data Book, Waterloo Area Local Government Review.

Table 17-3

**PROVINCIAL GRANTS AS A PROPORTION OF TOTAL MUNICIPAL  
AND COUNTY REVENUE EXCLUDING AND INCLUDING EDUCATION,  
WATERLOO AREA, 1965**

	Provincial Grants as % of Municipal Revenue	Provincial Grants including Education as % of Municipal Expenditure including Education
	%	%
<b>Cities</b>		
Galt	12.0	27.9
Kitchener	7.0	21.4
Waterloo	6.3	20.8
<b>Towns</b>		
Elmira	10.5	28.2
Hespeler	11.8	36.4
New Hamburg	11.7	36.0
Preston	12.1	28.0
<b>Villages</b>		
Ayr	20.3	48.1
Bridgeport	21.5	43.9
Wellesley	20.6	40.4
<b>Townships</b>		
North Dumfries	19.0	48.7
Waterloo	22.2	43.7
Wellesley	30.7	46.8
Wilmot	28.0	48.3
Woolwich	33.5	48.4
County of Waterloo	23.2	23.2

Source: Data Book, Waterloo Area Local Government Review.

Table 17-4

**MUNICIPAL AND SCHOOL TAXATION PER \$1,000 OF TAXABLE  
EQUALIZED ASSESSMENT, WATERLOO AREA, 1965**

	Municipal Taxation Per \$1,000 of Equalized Taxable Assessment	School Taxation Per \$1,000 of Equalized Taxable Assessment
	\$	\$
<b>Cities</b>		
Galt	46.10	33.66
Kitchener	41.80	28.60
Waterloo	36.05	26.93
<b>Towns</b>		
Elmira	37.17	25.01
Hespeler	37.11	20.78
New Hamburg	48.15	27.03
Preston	54.72	26.15
<b>Villages</b>		
Ayr	41.58	26.71
Bridgeport	46.66	46.40
Wellesley	27.00	27.07
<b>Townships</b>		
North Dumfries	28.68	27.62
Waterloo	31.02	32.48
Wellesley	28.75	30.73
Wilmot	25.10	29.64
Woolwich	26.55	29.51
Total Area	40.59	29.02

Source: Data Book, Waterloo Area Local Government Review.



Table 17-5

**ROAD EXPENDITURES AND SOURCES OF REVENUE,  
BY MUNICIPALITY, WATERLOO AREA, 1965**

	Gross Road Expenditure	Prov. Grants	Local Taxes	Other <sup>1</sup>
	\$	%	%	%
Galt	478,472	39	52	9
Kitchener	4,846,951	58	29	13
Waterloo	605,182	17	12	71
Elmira	88,504	31	52	17
Hespeler	61,238	44	56	—
New Hamburg	39,357	49	51	—
Preston	269,780	37	42	21
Ayr	21,336	30	65	5
Bridgeport	27,841	53	30	17
Wellesley	8,371	50	50	—
North Dumfries	60,746	49	51	—
Waterloo	211,057	55	45	—
Wellesley	110,254	60	40	—
Wilmot	142,610	49	51	—
Woolwich	133,943	55	45	—

<sup>1</sup>Largely local improvement charges, debentures or financed by long term borrowing.  
Source: Reported by municipalities of the Waterloo Area.

Table 17-6

**NET BURDENSOME DEBENTURE DEBT OUTSTANDING  
WATERLOO AREA, 1965**

	Amount	Per Capita	Per \$1,000 of Equalized Taxable Assessment
<b>Cities</b>			
Galt	5,885,773	186.04	116.49
Kitchener	17,183,437	198.39	104.42
Waterloo	6,155,368	220.20	103.74
Total — Cities	29,224,578	199.89	106.49
<b>Towns</b>			
Elmira	482,859	124.22	77.91
Hespeler	365,909	70.98	43.69
New Hamburg	128,638	54.74	47.33
Preston	1,764,911	141.19	98.61
Total — Towns	2,742,317	114.78	77.93
<b>Villages</b>			
Ayr	4,219	3.86	3.73
Bridgeport	283,371	142.18	177.77
Wellesley	18,371	27.79	24.86
Total — Villages	305,961	81.68	88.35
<b>Townships</b>			
North Dumfries	208,347	57.46	38.65
Waterloo	521,769	55.36	36.32
Wellesley	240,502	49.24	44.04
Wilmot	522,839	86.91	73.41
Woolwich	435,872	73.69	65.49
Total — Townships	1,929,329	64.60	49.48
Total — Towns, Twps., Villages	4,977,607	86.56	64.11
Total — Local	34,202,185	167.90	97.40
— County	461,638	8.03	5.95
Total — Area	34,663,823	170.16	98.72

Source: Ontario Department of Municipal Affairs.

Table 17-7

COMPARATIVE ANALYSIS FINANCIAL STATISTICS OF PUBLIC  
EDUCATION IN WATERLOO COUNTY BY MUNICIPALITY, 1968 and 1969

	Levy for School Purposes 1968	Levy for School Purposes 1969	Net Levy School Purposes 1969	Increase or (Decrease) in Levy 1969/1968	Increase or (Decrease) in Levy based on 1969 1969/1968	Share of Local Cost 1968	Share of Local Cost 1969	Share of Net Local Cost 1969	Increase or (Decrease) in share 1969/1968	Increase or (Decrease) in net share 1969/1968
	\$	\$	\$	%	%	%	%	%	%	%
Cities										
Galt	2,166,693	2,686,071	2,640,110	24.0	21.8	14.66	13.67	13.94	(6.8)	(4.9)
Kitchener	6,813,312	9,029,522	9,029,522	32.5	32.5	46.09	45.95	47.69	(0.3)	3.5
Waterloo	2,516,598	3,360,248	3,108,594	33.5	23.5	17.03	17.10	16.42	0.4	(3.6)
City Total	11,496,603	15,075,841	14,778,226	31.1	28.5	77.78	76.72	78.05	(1.4)	0.3
Towns										
Elmira	228,121	322,896	272,488	41.5	19.4	1.54	1.64	1.44	6.5	(6.5)
Hespeler	327,744	413,615	401,908	27.4	23.8	2.20	2.11	2.12	(4.1)	(3.6)
New Hamburg	90,614	138,173	137,683	52.5	51.9	.61	.70	.73	14.8	19.7
Preston	731,956	905,688	883,766	23.7	20.7	4.95	4.61	4.67	(6.9)	(5.7)
Town Total	1,375,435	1,780,688	1,692,845	29.4	23.3	9.30	9.06	8.96	(2.6)	(3.7)
Villages										
Ayr	51,407	75,598	67,000	47.1	30.3	.35	.38	.35	8.6	—
Bridgeport	89,814	121,425	118,435	35.2	31.9	.61	.62	.63	1.6	3.3
Wellesley	19,094	24,647	22,069	29.1	15.6	.13	.13	.12	—	(7.7)
Village Total	160,315	221,670	207,504	38.3	29.4	1.09	1.13	1.10	4.6	1.9
Townships										
North Dumfries	235,500	374,122	303,081	58.9	28.7	1.60	1.90	1.60	18.8	—
Waterloo	749,948	1,092,702	1,012,567	45.7	35.0	5.07	5.56	5.34	9.7	5.3
Wellesley	157,125	214,209	178,495	36.3	13.6	1.06	1.09	.94	2.8	(11.3)
Wilmot	331,430	507,580	404,428	53.1	22.0	2.24	2.58	2.14	15.2	(4.5)
Woolwich	275,451	384,876	354,201	39.7	28.6	1.86	1.96	1.87	5.4	0.5
Township Total	1,749,454	2,573,489	2,252,772	47.1	28.8	11.83	13.09	11.89	10.6	0.4
Waterloo Area Total	14,781,807	19,651,372	18,934,347	32.9	28.1	100.00	100.00	100.00		
Increase in Provincial Grants 1969/1968 including special subsidy grant										
					1968 Grant		1969 Grant		Increase %	
					10,964,453		12,854,704		17.24	
Increase in Budget										
					1968 Budget		1969 Budget		Increase %	
					29,444,010		33,860,448		14.99	

Note: The term "net" is used to indicate the amounts involved after the special provincial grant was applied in 1969.  
Source: Waterloo County Board of Education, 1969.

Table 17-8

PUBLIC EDUCATION FINANCE IN THE WATERLOO AREA  
BY MUNICIPALITY, 1968

	Municipal Levy for School Purposes 1968	Provincial School Grants by Municipality 1968	Total <sup>1</sup> School Exp. by Municipality 1968	Each Mun. Levy as % of Total Area Levy 1968	Prov. Grant in each Mun. as % of total Exp. each Mun.
	\$	\$	\$	%	%
<b>Cities</b>					
Galt	2,166,693	1,734,525	4,654,206	14.66	37.28
Kitchener	6,813,312	4,207,604	12,246,405	46.09	34.36
Waterloo	2,516,598	1,298,444	4,219,652	17.03	30.77
City Total	11,496,603	7,240,573	21,120,263	77.78	34.28
<b>Towns</b>					
Elmira	228,121	236,729	530,651	1.54	44.61
Hespeler	324,744	347,588	690,698	2.20	50.32
New Hamburg	90,614	171,880	315,133	.61	54.54
Preston	731,956	648,548	1,702,099	4.95	38.10
Town Total	1,375,435	1,404,745	3,238,581	9.30	43.38
<b>Villages</b>					
Ayr	51,407	90,196	147,723	.35	61.06
Bridgeport	89,814	74,525	170,504	.61	43.71
Wellesley	19,094	44,573	83,747	.13	53.22
Village Total	160,315	209,294	401,974	1.09	52.07
<b>Townships</b>					
North Dumfries	235,500	356,938	680,668	1.60	52.44
Waterloo	749,948	383,033	1,420,473	5.07	26.97
Wellesley	157,125	308,404	596,847	1.06	51.67
Wilmot	331,430	612,054	1,130,587	2.24	54.09
Woolwich	275,451	449,412	854,617	1.86	52.59
Township Total	1,749,454	2,109,841	4,683,192	11.83	45.05
Waterloo Area Total	14,781,807	10,964,453	29,444,010	100.00	37.24

<sup>1</sup>Includes other revenues such as local fees and rentals and transfer payments collected locally and from other boards; therefore is greater than sum of first two columns.

Source: Waterloo County Board of Education, 1969.



Table 17-9

	Municipal Taxation in millions of dollars	Provincial Subsidies in millions of dollars	Subsidies as % of taxation
1943	111	21	18.8
1960	587	329	57.0
1964	805	516	64.1
1967	1152	910	78.9

Source: Summary of Financial Reports of Municipalities, Department of Municipal Affairs.

## CHAPTER EIGHTEEN

### GARBAGE DISPOSAL

Perhaps one of the most obvious signs of modern affluence is an abundance of garbage and other solid wastes. While every municipality does not provide garbage collection, all are responsible for its disposal. At present, however, five of the Waterloo Area's fifteen municipalities rely upon neighbouring municipalities for disposal sites. The City of Waterloo is permitted the use of Kitchener's land-fill site at a cost of \$3,000 per month; Elmira operates a land-fill site in Woolwich Township; New Hamburg makes use of a site in Wilmot Township; Bridgeport uses Kitchener's site; the Village of Wellesley takes its garbage to a site in Wellesley Township. Only Kitchener uses another method in addition to sanitary land-fill. The City annually disposes of 12,500 tons of garbage by incineration as well as an estimated 500,000 tons a year by sanitary land-fill.

Adequate disposal procedures are essential if serious health hazards and nuisance are to be avoided. To this end, provincial health regulations require that sanitary land-fill sites be supervised and fenced, and that refuse be covered with soil each day. No refuse may be burned in a land-fill site, nor may the site be close to creeks or other water courses. These regulations are enforced in an effort to eliminate the possibility of air or surface water pollution. Further effort is made to locate such sites where the ground is relatively impermeable so that underground water is not affected either.

Because of the special nature of the site required for land-fill garbage disposal, some municipalities obviously may have difficulty finding appropriate sites within their boundaries. Neighbouring municipalities are often, understandably, reluctant to receive another municipality's garbage — particularly if the other municipality is to carry out the operation.

The difficulty encountered by the City of Waterloo in its search for a suitable disposal area gives some picture of the problem that can be expected in the future with respect to garbage disposal.

The City had been making use of a land-fill site in Wilmot Township. At the expiration of the contract for the site, it was considered appropriate to select another site in the Township for

this purpose. However, residents of the particular area objected strenuously, and the City withdrew. Some five months were spent searching for another suitable area, but no municipality approached was willing to help Waterloo with its problem. In April, 1969, the City of Kitchener agreed to help Waterloo out of its predicament by offering the use of its land-fill site at a cost of \$36,000 annually.

The City of Galt faced a similar problem in finding suitable ground both within its own boundaries (residents objected) and in North Dumfries. An interim solution has been found within the City through the use of a site that will be sufficient for no more than two years. Galt's problem has been no different from that facing others. It is difficult to convince residents that the garbage operation will not create a nuisance.

It is stating the obvious to say that this problem is one that will get progressively more difficult as the urban population increases. It is apparent that alternative methods to the land-fill technique which would make less demands on land have the serious disadvantage of very high cost. Incineration is not considered to be a practical solution. In Kitchener, for example, incineration has a cost factor of three dollars per ton compared to one dollar for land-fill. The City of Kitchener, currently disposing of not only its own but the City of Waterloo's, Waterloo Township's, and Bridgeport's garbage will exhaust its present land-fill site within five years or less. There are no other sites suitable for garbage disposal within the present boundaries of Kitchener. More remote sites may have the advantage of isolation but costs increase with the length of the haul. The problems of heavy traffic over rural roads built to meet the needs of light local traffic are also created.

The problems of garbage disposal in the area are really problems of land use control. One gets some grasp of the problem to be faced when it is considered in the terms offered to the Waterloo County Area Planning Board. From now to the year 2001, the area studied (Waterloo - South Wellington) will produce 19,000,000 tons of garbage — enough to give every one of the projected 884,000 residents a gift-wrapped package of twenty-two tons of garbage each.<sup>1</sup>

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<sup>1</sup>See *Kitchener-Waterloo Record*, October 31, 1969, p. 3

### ***Observations and Recommendations***

While land use controls pose the central problem in garbage disposal, there is another important issue — cost. While it is desirable to find a remote site to minimize the pollution problem, such sites cause an increased cost of disposal because of

trucking, and bring heavy truck traffic onto rural roads, while the alternative of incineration is also expensive and raises issues of air pollution.

Some means is necessary to ensure that garbage disposal sites can be found in economical and safe locations which do not create problems for the areas in which they are situated.



## CHAPTER NINETEEN

### PLANNING AND DEVELOPMENT

The Waterloo Area has a distinguished record for pioneering in town planning. As early as 1912, a planning consultant, C. W. Leavitt, was hired and asked to submit a plan of development for both the City of Berlin (as Kitchener was then called), and the City of Waterloo. The plan was accompanied by a report which reviewed the history, development and physical features of the two communities, and offered a forecast of population growth. Little practical use, however, was made of the report.

The next attempt to move from drawing plans to taking positive action came in 1917, when Kitchener became the first municipality in Ontario to appoint a Town Planning Commission under the Town Planning Act of that year. In 1920, zoning regulations for the City were passed, and in 1922, Thomas Adams, the noted British town planner, was hired to prepare a scheme for the future development of Kitchener. By 1924, this master plan was completed and used in the preparation of a new zoning by-law. The zoning by-law now in effect in the City of Kitchener is based on the one adopted in 1924. This initial interest in planning has always been maintained. An Official Plan or development concept is presently in effect for a small part of the existing city, and in 1965 preparation of a more current official plan extending to the year 2000 was begun. The concepts proposed in this latest plan are in the discussion stage at the local level.

The City of Waterloo had the problem of finding means of transferring concept to development when a plan proposed by H. Seymour, who had been retained by Waterloo's Town Planning Commission, was put aside in 1923. Mr. Seymour's report included a study of the nature of the existing and required legislation through which planning could be successfully carried out; proposals for the future development of roads, schools, open spaces and other land uses; and a draft zoning by-law to regulate industrial, commercial and residential land uses.

It was not until after the Second World War that the City of Waterloo adopted its first zoning by-law to regulate and restrict the use, location and size of buildings and to divide the City into zones or districts for various purposes. This original by-law and its amendments were replaced and consolidated in 1950 to provide a more detailed classification of the types of land use per-

mitted. Subdivision control was introduced in 1949. The City of Waterloo's first official plan, adopted in 1948, was simply a revised map of the city's street system, and no future land use was considered. In 1954, the first amendment to the official plan enlarged and updated the original one and also provided an outline of the desired future pattern of land use. The official plan was again brought up to date in 1956 and 1958. In the latter year an amendment was made in the form of both text and map to describe the various types and stages of physical development. The firm of M. V. Jones and Associates was retained by the City of Waterloo in October 1965, in order to undertake the preparation of a draft official plan, which was completed in 1966. City Council has now given formal approval (May 1969) to the plan and has forwarded it to the Department of Municipal Affairs for ministerial approval.

In April 1947, the joint Kitchener-Waterloo and Suburban Area Planning Board was established for the City of Kitchener, the City of Waterloo and parts of the Township of Waterloo (the Village of Bridgeport was added in January 1956, following the incorporation of the municipality as a Village). The official plan for Roads (previously, under the Planning Act, official plans could be established for specific services) was approved in December 1949, and formed the basis for the development of expressways currently being constructed in the Kitchener-Waterloo area. An official plan for parks was approved in May 1953. Of some fifteen park and recreation areas that it recommended, all but one have since been acquired for public use. With the creation of the Waterloo County Area Planning Board (discussed in more detail below) the joint area planning board was dissolved.

The City of Galt began its planning activity in earnest in 1948, with the establishment of the Galt and Suburban Planning Board which included the Township of North Dumfries. In the same year the City's first urban subdivision control by-law was established, and a year later the first zoning by-law was passed. During the 1950's the first full-time planning employee was hired. An official plan covering Galt and part of North Dumfries was approved by the Minister of Municipal Affairs in 1958 and the preparation of a comprehensive zoning by-law was begun. By 1965, the Ontario Municipal Board had approved this

by-law, with the exception of its parking requirements (which were approved in 1969). In 1967, the Galt and Suburban Board was dissolved and the two municipalities involved, Galt and North Dumfries, set up their own boards. The City of Galt established a planning department and began to hire professional staff at that time.

While the Cities have been active in establishing planning controls for some time, the Towns, Villages and Townships became interested in formal controls in the period immediately following the Second World War. What follows is a brief summary, for each of the municipalities outside the Cities' planning area, of how they control growth.

**Town of Elmira:** The Elmira Planning Area was defined by the Minister in November 1946. A subdivision control by-law was enacted the same year and a comprehensive zoning by-law adopted in 1948. There is no official plan. Comprehensive amendments to the zoning by-law are now being prepared. There is a Committee of Adjustment.

**Town of Hespeler:** The Hespeler Planning Area, as defined in 1946, consisted of the Town of Hespeler, part of the Township of Waterloo, and part of the Township of Puslinch in Wellington County. The planning area was redefined when the Township of Puslinch Planning Area and the Waterloo County Area Planning Board were created so that today the Hespeler Planning Board has jurisdiction only within the Town's corporate limits. A subdivision control by-law was adopted earlier in 1946 and a comprehensive official plan was approved in 1951. A comprehensive zoning by-law was passed in 1947, and several major amendments were made to provide for the areas annexed in 1966 and 1968. There has been a Committee of Adjustment since 1965. Comprehensive amendments to the official plan and zoning by-law are now being prepared.

**Town of New Hamburg:** The New Hamburg Planning Area was established in 1947. In 1969 the Town was in the process of passing its first zoning by-law. An official plan is in preparation and a subdivision control by-law has been drafted.

**The Preston Planning Area:** The Preston Planning Area was formed in 1946 to include all of the Town of Preston and certain adjacent areas in the Township of Waterloo. On the creation of the Waterloo County Area Planning Board, the Preston Planning Board became a subsidiary board with jurisdiction only within the Town limits. The official plan for the Preston Area was approved in 1950, and a major amendment add-

ing additional text and controls was approved in 1962. A subdivision control by-law has been in effect since 1947 and a comprehensive zoning by-law since 1960. The Town has a Committee of Adjustment.

**Village of Ayr:** The Ayr Planning Board was established in 1960 and a comprehensive zoning by-law was passed in 1963. The municipality has a Committee of Adjustment and is at present collecting information to prepare a comprehensive zoning by-law amendment and a statement of planning policies.

**Village of Bridgeport:** The Bridgeport Planning Board was formed in 1955. Before incorporation the Village formed part of the Waterloo Township Planning Area. The official plan of the Kitchener-Waterloo and Suburban Planning Area, passed in 1949, applies to the Village and is its official plan for land use. A subdivision control by-law was passed in 1958 and a comprehensive zoning by-law in 1961. The Village has a Committee of Adjustment.

**Village of Wellesley:** The Wellesley Planning Area was formed in 1963. A subdivision control by-law has been in effect since 1966 and a comprehensive zoning by-law was approved in 1968.

**Township of North Dumfries:** The Township during the 1930's adopted both building and zoning by-laws. As noted earlier, North Dumfries had a brief history of joint planning activity with the City of Galt. During this period the Township adopted a subdivision control by-law (1957) and part of the Township surrounding Galt is covered by the official plan adopted under the joint arrangements. A Committee of Adjustment was established in December 1969.

**Township of Waterloo:** The Waterloo Township Planning Board was established in 1947 with its jurisdiction being all land of the Township of Waterloo not in the Preston or Hespeler Planning Areas. A comprehensive zoning by-law was passed in 1959, and comprehensive policy statements (an unofficial plan for land use and development policy) were approved by Council in 1962, 1963 and 1964. A major amendment to the zoning by-law dealing with gravel pits was approved in 1967. A major study of the effects of annexation in the area to provide a basis for the municipality's policy on future annexations was approved in September 1966. A Committee of Adjustment has been in operation since 1962, and there is a subdivision control by-law.

**Township of Wellesley:** The Wellesley Township Planning Area was formed in 1963. There is no official plan. A subdivision control by-law



was passed in 1963. A comprehensive zoning by-law was passed in 1964 and revised in 1968. A Committee of Adjustment is in operation.

**Township of Wilmot:** The Planning Board was formed in 1955. There is no official plan. The subdivision control by-law became effective in 1956 and the comprehensive zoning by-law in 1964. A Committee of Adjustment has been functioning since 1965.

**Township of Woolwich:** The Township of Woolwich Planning Area was established in May 1957. A subdivision control by-law was approved the same year. A plan for controlled development (an unofficial plan for land use) was passed in 1963. A comprehensive zoning by-law was approved in 1964. A Committee of Adjustment has been in operation since 1965.

### **Reform of the Planning Structure Begins**

Recognition of the importance of planning to local government has been demonstrated over the years in the Waterloo Area.

It has become apparent in recent years, however, that the local planning structure is very complex and inadequate for its tasks. The complexity of the planning process was underlined in a report on the planning problems of the Area, entitled simply "Waterloo Area". The report, prepared by the Community Planning Branch of the Department of Municipal Affairs in 1964, concluded that, given the circumstances of the then current planning structure, a reorganization of planning in the Area was required if the growing challenges of urbanization were to be met. The report found that "there is adequate justification for all municipalities within Waterloo County, together with the Cities of Galt, Kitchener and Waterloo, to join together under the banner of one joint planning area".<sup>1</sup>

It is apparent that the difficulty of accommodating the City-County relationship within the administrative structure presented problems to the Department of Municipal Affairs then, as it does now, to the Review Commission. In the same report it is stated that "there has as yet been no formal expression by the County of its position regarding participation in such an organization . . . if the County and the cities are not prepared to act at this time we would recommend that serious consideration be given to the establishment of a joint planning area consisting of the Cities of Galt, Kitchener, Waterloo; the Towns of Hespeler and Preston; the Villages of Bridgeport and Ayr; and the Townships of Waterloo and

North Dumfries. The new planning area to be called the Waterloo Planning Area".<sup>2</sup> The report cautioned that this latter approach should not be considered an alternative but rather as a "step in the direction of the County planning area".

The report described the planning arrangements of that time as confused and inadequate:

In addition to having its own planning area, part of Waterloo Township is contained within the Kitchener-Waterloo and Suburban Planning Area. Another part is contained within the Preston Planning Area, and a third part in the Hespeler Planning Area. Immediately to the south is the Galt and Suburban Planning Area, composed of the City of Galt and North Dumfries Township. The City of Kitchener also with its own planning area, is part of the Kitchener-Waterloo and Suburban Planning Area, which included the City of Waterloo, the Village of Bridgeport and, as already indicated, a part of Waterloo Township.

Similar to Kitchener and Waterloo Township, the City of Waterloo has its own planning area. Preston carries on its planning programme through the Preston Planning Area, which also includes a part of the Township of Waterloo. In the same manner Hespeler is represented in a planning area that includes a part of the Township of Puslinch in Wellington County as well as part of Waterloo Township.<sup>3</sup>

Again the report found that "Beneath this multiplicity of planning jurisdictions exists yet another kind of division. This is the unco-ordinated expenditure by various municipal bodies of public funds directly or otherwise bearing on planning".<sup>4</sup> As the current story of planning in the Waterloo Area unfolds, it will be seen that this is still the case. Indeed, involvement in planning (in terms of expenditure) is not restricted to municipal bodies but includes agencies and bodies representing every level of government.

### **The Establishment of the Waterloo County Area Planning Board**

During 1964, in conjunction with the preparation of the report quoted above, a series of meetings between provincial civil servants and local councils and officials was held to consider changes in the administrative arrangements for planning. By these meetings and the "Waterloo Area" re-

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<sup>1</sup>Page 29.

<sup>2</sup>Idem.

<sup>3</sup>Page 10.

<sup>4</sup>Idem.



port, the Minister of Municipal Affairs, Mr. Spooner, was satisfied that the Cities and the County were amenable to substantial reform in planning organization and activity. In February 1965, the Minister announced that he would therefore act to change the planning jurisdictions and that the Province would offer an annual grant of twenty-five percent towards operating expenditures for the first three years of the existence of the proposed County Area Planning Board) unless he heard substantial objections from the local councils. Over the next few months the Minister received resolutions from the three Cities and the County endorsing his proposals. During the County's polling of its member municipalities, some reluctance to participate was expressed by two municipalities, but the Minister nonetheless felt that the consensus was in favour of change. Thus an attempt to rationalize the planning process was made, and the main recommendations of the "Waterloo Area" report were followed with the establishment in August 1965, of the Waterloo County Area Planning Board.

The board consists of nineteen members and eighteen alternates. Each City (Galt, Kitchener and Waterloo) sends two members, while the Towns, Villages and Townships each appoint one member, making a total of eighteen. Each of these members has an alternate who may vote only in the member's absence. The nineteenth member, the Warden of Waterloo County, is a member by virtue of his office. Under the Planning Act the Minister may single out one municipality in a joint municipal planning arrangement as the municipality responsible for adopting the official plan proposed for the area. In the case of the Waterloo Area, the County is the municipality so designated and in the language of the Act is known as the "designated municipality".

The Planning Act provides that planning boards shall normally consist of five to nine members, of whom elected representatives shall be in the minority. With the approval of the Minister of Municipal Affairs, the Waterloo County Area Planning Board is one of the very few to exceed these numbers.

In 1969, twenty-four of the thirty-seven members and alternates on the area planning board were members of the council they represented. The remaining thirteen members and alternates were persons selected from the community and appointed by the local council to serve on the Board. Twenty were members of their local planning board.

## **Planning Organization and Procedures**

The administration of planning legislation in the Area is complex, with responsibility being divided among sixteen municipalities, sixteen planning boards, thirteen committees of adjustment, the Minister of Municipal Affairs (viz. the Community Planning Branch), and the Ontario Municipal Board. In addition, a wide variety of local boards and provincial agencies affect planning in exercising their own powers and may be consulted before decisions are reached in certain matters.

### **Planning Boards**

The relationship between the municipality and the planning board is a crucial one in trying to understand how planning is actually carried out. The generally held view is that planning boards, as appointed bodies, are only advisory to the municipal councils on planning matters. An examination of the Planning Act, however, shows a rather different legal position. The law appears to visualize that zoning by-laws and official plans are to originate with the planning board. Council may then adopt recommendations on these matters. When, however, council's policy does not have the concurrence of the planning board, the council may only act upon that policy when it achieves a two-thirds vote of council. While legally separate entities, the actual relationship between planning boards and their respective councils varies considerably. Some, such as the Waterloo County Area Planning Board, are quite distinct and separate, while others act more like committees of council.

The other specific planning board rôle of importance is in regard to subdivisions. While the legal authority to approve subdivisions rests with the Minister of Municipal Affairs, he is authorized to consult such local bodies as may be deemed appropriate. (This procedure is dealt with at greater length below).

The most important of these local bodies are the planning board and the municipal council. The general practice appears to be that where a planning board is well established with its own staff, the primary onus for considering subdivisions falls on the planning board, which then advises the municipality and the Minister. There are also extensive lists of local bodies and provincial agencies which might conceivably have an interest, and they are canvassed for their views.

The influence of the planning boards is difficult to judge. Certainly they complicate the various procedures because of their legal powers. Much of the potential disagreement between councils and planning boards is avoided by the appointment of members of council to the boards and by the staffing arrangements. Certainly the staff plays a major rôle in municipal administration in the Area.

### Planning Staff

While every municipality in the Waterloo Area has a planning board, only the Area Planning Board and the three Cities have their own planning departments. Generally these departments are part of the civic administration. The staff members are appointed by the City Council, and the planning director is an officer of the municipality. Normally the staff works with the planning board and provides professional and secretarial services for the board. No complaints were heard about this ambiguous position, which is not uncommon in Ontario municipalities. Apparently on the basis of experience it is preferred to the arrangement which the Planning Act appears to contemplate, of each planning board being self-sufficient, administratively as well as legally. The significant exception to these arrangements is the staff of the Area Planning Board, which is the only planning board which appears to function in the manner envisaged in the Planning Act.

All other planning boards in the Area rely upon part-time help from planning consultants as well as through the advisory service provided by the Waterloo County Area Planning Board.

The accompanying Table describes the numbers and positions of personnel of each of the full-time planning departments in the Area. It should be noted that the Galt planning department is the most recently established, that currently its planning operations are being strengthened, and that substantial increases in staff and expenditure have been authorized.

### PERMANENT STAFF OF PLANNING DEPARTMENTS WATERLOO AREA, 1969

Galt Planning Department	Waterloo Planning Department
Planning Director	Director
Administrative Secretary	Planner
Research Director	Technician
Planning Technician	Draftsman
Design Planner (position unfilled)	
Stenographer	

**Kitchener Planning Department**  
 Director  
 Deputy Director  
 Special Projects Director  
 Planner  
 Zoning Administrator  
 3 Planning Assistants  
 5 Draftsmen  
 3 Stenographers  
 Counter Clerk (position unfilled)

**Waterloo County Area Planning Board Staff**  
 Director  
 Deputy Director  
 Planner  
 Draftsman  
 Deputy Secretary  
 Treasurer  
 Stenographer  
 Junior Assistant

Each municipality's expenditures on planning in 1968 is shown both in total and in *per capita* dollars in the following Table. The Town of Preston has increased its budget for planning for 1969 to \$15,000. The total dollar figure in the Table is for the municipality's own planning activity, but the *per capita* figure includes an amount of twenty-eight cents for the Waterloo County Area Planning Board activity as well.

### Committee of Adjustment

A further agency in the local planning organization is the Committee of Adjustment which is intended to dispose of applications for minor variations in zoning by-laws. This appointed body (councillors are specifically prohibited from acting on it) is designed to adjudicate locally-proposed minor changes in the land uses, thus providing some flexibility in the application of local zoning by-laws. It acts in a quasi-judicial capacity having well-defined procedures for notification, public hearings and written decisions, and is restricted to working within the intent of the zoning by-law. An additional power of particular significance is to permit land severances (the division of parcels of land where a subdivision is not considered necessary). Where there is no Committee of Adjustment, the powers regarding severances are exercised by the Minister.

### Waterloo County Area Planning Board

The Waterloo County Area Planning Board has been functioning only since 1965. It has been effective apparently in co-ordinating activities, collecting information and acting as a focus for area-wide activities.

The activities of the Waterloo County Area Planning Board may be summarized in five categories:

(a) *Official Plans*: The Board has responsibility for preparing an official plan (that is, a concept of orderly development) which will embrace all member municipalities. Each municipality is at



the same time responsible for making an official plan to cover its immediate area of jurisdiction. The integration or co-ordination of these planning policies at the two levels is a major responsibility of the Area Board. The Board has an Official Plan Committee, composed of one representative from each of the Cities and three from the County.

(b) *Advisory Services*: The Board provides a number of advisory planning services to assist the municipalities of the Area. Some municipalities have planning staff while others do not, so that the extent of these advisory services varies. The Cities with their full-time planning staffs are able to make use of the area-wide research projects in planning undertaken by the Board, while a broader range of advisory services is required by municipalities which do not have planning personnel. Services to these latter municipalities range from assistance in considering subdivision plans to co-operation in the preparation of the draft of an official plan. The County Area Planning Board since its formation has been accumulating a fund of information relating to, and of use in, the planning process. This information, as well as advice, is available to councils, boards, commissions or any one interested in the Area.

(c) *Co-ordination of Plans and Policies*: Closely related to the preparation and implementation of a comprehensive official plan for the Waterloo Area is the ever-important responsibility, mentioned earlier, to co-ordinate the plans and policies of the municipalities in the planning area. This co-ordination is pursued through a number of established "technical committees". The major one of which is the Area Planning Technical Committee, including senior members of the County Area Planning Board staff and the directors of local municipal planning departments. Those municipalities which do not engage full-time planning personnel are represented on the committee by Mr. Howard Smith of the firm of Dryden and Smith Planning Consultants. This firm has at one time or another been retained by every municipality in the Area and is at present employed by a number of them.

(d) *Current Planning*: In its early stages, that is, prior to the updating or completion of official plans for the municipalities and the Area, the County Area Planning Board attempts to co-ordinate or rationalize planning activity through examining subdivision developments, zoning changes, existing official plan amendments and generally all change in land use. Upon reviewing a specific proposal for development the Board determines whether, in its opinion, the develop-

ment is of significance or impact beyond the municipality for which it is proposed. Only if the development is "of area significance" does the board suggest to the appropriate "approving" body whether or not the proposal should be approved.

(e) *Waterloo - South Wellington Area Planning and Development Study*: This study of all of Waterloo County and the southerly half of Wellington County, including the Cities, is intended to collect and analyse data concerning many aspects of planning (including development, land use, population and traffic) which will be instrumental in the preparation of official plans. A number of technical and lay committees have been established to carry out the work involved, and are made up of many local officials and representatives. The key to unifying the project is the Area Planning and Development Co-ordinating Committee, which comprises representatives of various provincial government departments and agencies (the provincial authorities have a very heavy financial commitment in the study) such as Municipal Affairs, Highways, Treasury, and the Ontario Water Resources Commission. Also included in the membership are representatives from the City of Guelph and Wellington County. The Waterloo County Area Planning Board's Director acts as secretary to this committee to provide liaison for the overall project. The General Manager of the Mid-Western Ontario Development Council serves as another local representative to this committee.

Each member of the study's co-ordinating committee will report the study findings to his respective authority and agency. Provincial government departments, local councils and relevant boards and commissions will then, where appropriate, make use of the recommendations produced through the study.

The other Technical Committees include: the Planning Technical Advisory Committee which is essentially the Area Planning Technical Committee, supplemented by members of the faculties of local universities and representatives from Guelph and Wellington County; the Economic Development Technical Advisory Committee, whose local membership consists of the Area Board Planning Director, the General Manager of the Mid-Western Ontario Development Association and the area Industrial Commissioners; the Public Works Technical Advisory Committee, made up of the Area Board Planning Director, the municipal engineers, the managers of the Public Utility Commissions and a representative of the Grand River Conservation Authority; and



the Transportation Technical Advisory Committee, upon which the Waterloo County Area is represented by the Area Board Planning Director, the engineers for the Cities, the County engineers, the traffic co-ordinators, and representatives from the transit authorities.

The work of the Waterloo County Area Planning Board is now in its fourth year, and the twenty-five percent grant has been extended beyond the initial three-year period to cover 1970. The Board's budget for each year is as follows: 1966, \$49,560; 1967, \$71,584; 1968, \$84,817; 1969, \$93,291.

Concerning the County Area Planning Board, two anomalies should be noted. Formally, the other fifteen planning boards are subsidiary to it, but what this means is not defined in law. All fifteen planning boards have the same terms of reference and within their physical area of jurisdiction, the same powers. Certainly the Cities continue to plan vigorously for their areas with no direction from the Area Board, and Kitchener certainly has a larger budget and staff than the Area Board. The other anomaly is that the County is the "designated municipality" which must formally adopt the official plan upon which all planning hinges. However, it has the least power to implement an official plan as it has almost no zoning powers except with respect to county roads; it is not involved in subdivisions; and the only function it has which is very much influenced by planning is roads.

One consequence of the Board's activity apparently has been to encourage the rural municipalities to adopt a more restrictive attitude towards scattered, indiscriminate development, although this trend may also be a result of their growing awareness of the problems of urban intrusions into rural areas, even when these areas have a very low population density.

### **The Provincial Government and Local Planning**

Both in law and in practice, responsibility for local planning is shared between the local governments and the Municipal Board.

At present, the system of planning controls is supposed to work something like this (as paraphrased in part from the Department of Municipal Affairs' pamphlet "Planning for a Better Community"): The local planning board prepares a plan for the orderly development of the community based on studies of population, land use, land form and the general economic fabric of the municipality. This plan becomes an official plan

when it has been adopted by the Area Planning Board and the designated municipality (the County of Waterloo), and has received the approval of the Minister of Municipal Affairs. Before the Minister gives his approval he is required by the Planning Act to refer the proposed official plan to the affected municipal councils and work out, as far as possible, satisfactory modifications as they seem necessary. No mention is made, however, of the rôle of the respective local planning boards in this latter stage.

At present the procedure is complicated by the fact that at the same time municipal planning boards and councils in the absence of an area-wide official plan are proceeding more or less independently with local official plans. More will be said of the inherent difficulties below.

Implementation of the official plan for the municipality is brought about through zoning by-laws passed to regulate land use, and other actions of Council.

The Minister of Municipal Affairs has the legal authority to approve subdivisions but may consult local bodies. With regard to subdivisions, the process of consultation and the factors to be taken into account are set out at some length in The Planning Act. The statutory requirements related to the approval of an official plan are very general, and it is not easy to discover what approach is taken in considering official plans. One major aspect of the approval process is ensuring that all parties, including provincial agencies, which might be affected are informed. The Minister may request the Ontario Municipal Board to hold a hearing on official plans or subdivision approvals. This is often done if there is a difference of opinion locally, or if a change in an official plan is related to a particular amendment to a zoning by-law.

The Ontario Municipal Board must approve all zoning by-laws and as part of its proceedings, receives comments from the Community Planning Branch of the Department. As mentioned above it may, on request, hold hearings on other matters. In these matters it acts in a quasi-judicial manner, scrutinizing the manner in which the municipality proposes to exercise its powers and how these powers affect individual citizens. Anyone wishing to object to a zoning by-law or other matter before the Municipal Board may appear before the Municipal Board at a public hearing and make his views known.

In practice the procedures are not quite so simple, both in terms of the number of bodies involved in the process or the time necessary to

proceed through all the stages (as will be apparent when they are discussed later).

An integral part of a well-conceived plan is the provision for necessary physical facilities for the proposed land use, not to mention their location and timing as part of developmental programs.

The construction of most of these facilities is subject to approval by provincial government, generally through some department or agency. In many cases this approach is professional or technical in nature. In some instances, however, there are considerations of policy, as in the provision for sewage-disposal facilities, but these policies are generally conceived in relation to the particular function, and with limited regard to the implications for the community in the broad sense.

For example, the plans and specifications of sewers and water mains must be approved by the Ontario Water Resources Commission (formerly this was a function of the Department of Health). Similarly plans for schools must be approved by the Department of Education. There is little evidence of the provision of these facilities being viewed as a determinant factor in the pattern of land use except perhaps in the Department of Highways, or of any awareness of a need for any broad policies for development on the part of these agencies, which are usually pre-occupied with their own particular function.

In the Waterloo Area traffic studies and design of the expressways, there was relatively full provincial participation at the planning stages, but the project was conceived as a highway study and insufficient attention was given to its implications for land use and its impact on neighbouring municipalities.

The financial implications of the various capital facilities, so important to the implementation of planning, are subject to the approval of the Ontario Municipal Board if they are to be financed by borrowing, but, even then there is concern only with the borrowing capacity of the municipality and the terms of the debt.

For the critical stage of transferring "raw acreage" into small lots for urban development, municipalities may adopt a subdivision control by-law describing areas within the municipality wherein land may not be subdivided and streets laid out without a registered plan. Before a plan is registered, however, it must be approved by the Department of Municipal Affairs which, in reaching its conclusions, may consult local, provincial and federal authorities about the suitability of the subdivision and its effect on the surrounding area. When such details as size of lots and

adequacy of public utilities, schools, parks and municipal services are settled satisfactorily, the Minister of Municipal Affairs may or may not approve the plan. In short, then, the municipality may designate the areas within the municipality not to be developed without a registered plan. It is, however, the provincial government, through the Minister of Municipal Affairs, which has the legal responsibility to decide what constitutes appropriate development of the land in a subdivision — or even if it should be developed at all. The formal role of the local authority (either council or planning board or both) is simply to offer comment if invited.

The Planning Act has this to say, in part, about the approval of subdivision plans.

Sec. 28 (1) When land is to be subdivided for the purpose of being sold, conveyed or leased in lots by reference to a registered plan of subdivision, the owner of the land or someone authorized by him in writing shall forward at least eight, or as many as may be required, copies of a draft plan thereof drawn to scale, together with an application for approval, to the Minister . . .

(3) The Minister may then confer with officials of municipalities and departments of the public service, commissions, authorities and any others who may be concerned and shall settle a draft plan that, in his opinion, will meet all requirements . . .

(5) The Minister may impose such conditions to the approval of a plan of subdivision as in his opinion are advisable . . .

In conferring with "departments of the public service" with respect to subdivision approval, the usual course followed by the Department of Municipal Affairs is to ask for comment from several Provincial Government departments and some Federal departments and agencies. Provincially the Departments of Highways, Health, Transport, Public Works, Lands and Forests, Education and Economics are consulted, as well as such provincial agencies as the Ontario Water Resources Commission, Hydro and the Ontario Housing Corporation. At the Federal level the Department of Municipal Affairs consults the Departments of Public Works, Indian Affairs, Transport and the Central Mortgage and Housing Corporation. These many consultations partially explain the length of time required in getting subdivision work underway.

If only one or a few lots are involved, a "severance" may be granted by the Committee of Adjustment after a public hearing. Why differ-



ences in procedures have evolved depending on the number of lots is not clear: in some instances it is the Department of Municipal Affairs, the local planning board and the municipality which are involved; in other cases it is only a local quasi-judicial body which holds a public hearing. Committee of Adjustment decisions could by-pass the subdivision procedure by granting severances generously. Not only might the decisions be significant in particular instances, but the cumulative effect of permitting the broadcast scattering of individual houses will have important consequences on the character of a municipality. No restrictions or limitations are contained in legislation setting out how the Committee's powers with regard to severances shall be exercised. The only recourse if there is disagreement with a Committee decision is to appeal it to the Ontario Municipal Board, which is hardly a suitable procedure in these circumstances.

### **Many Provincial and Other Authorities Involved in Planning**

There are other important activities which have an influence on the planning process and introduce yet other authorities and agencies into the complex of planning activity.

When a municipality wishes to accommodate the pressures for development by extending its boundaries, the only method available, up until the introduction of the current series of local government reviews, was to make application to the Ontario Municipal Board. In brief, the municipality proposing its own expansion would have to make its case before the Ontario Municipal Board, and the Board in its quasi-judicial role, having heard from any interested party wishing to object, would adjudicate the issue, decide the amount of land to be annexed and order any financial and political adjustments it deemed appropriate. The significance of annexation in the overall planning process is underlined by the record. Some fifty or more annexations have taken place in the Waterloo Area since 1946.

Two other major provincial authorities which may significantly affect local planning are the Ontario Water Resources Commission and the Ontario Department of Highways. The former has very clear and abundant power to control and regulate the provision of water and sewage works in the Province, and as such has a very real influence upon the shape of local communities. The Ontario Department of Highways can determine

or alter the physical circumstances under which a municipality must set planning policy.

The Grand River Conservation Authority, a regional special-purpose body, draws its membership from seventy-four municipalities along the Grand River system. This Authority also deals with the physical circumstances of the Waterloo Area and, in turn, has an influence upon planning considerations through its own placement of dams and conservation areas, and through flood-control and water-level policies. The Conservation Authority also may restrict the use of land (though it need not own it) that is or may be subject to flooding. By this means, the Authority may prohibit development on certain lands within the Waterloo Area.

More recently it has been proposed that control of gravel pits should be subject to direction by the Department of Mines.

When communities are old enough that renewal and redevelopment should take place, both the federal and provincial governments are very influential with respect to policy on urban renewal. Both governments prescribe and insist upon certain procedures to be followed in renewal and redevelopment activity. Paradoxically the federal government, having actively encouraged the preparation of plans for redevelopment for many years, is drastically changing the direction of its policies. As a result, Kitchener, which had just prepared an ambitious plan for rebuilding a large part of its central area on the assumption that federal funds would be available on a generous scale, has now been told that only limited assistance can be expected in the immediate future.

Related to urban renewal activity is the provision of housing heavily subsidized by the federal and provincial governments. Once again an agency other than a local one has a very important part in determining where resources, in this case housing, shall go in the community. In connection with the provision of housing units the Ontario Housing Corporation has begun to acquire land variously referred to as necessary for land banking and/or a satellite city. In the Waterloo Area some 3,000 acres have been assembled by the Ontario Housing Corporation (in the south-western part of Waterloo Township, across Highway 401 from the Town of Preston).

### **The Regional Development Council and Planning**

Another important aspect of planning is the successful attraction of appropriate industry to any given municipality. Again, additional agencies



are engaged in this activity. In the Waterloo Area the Cities and Towns either engage industrial commissioners or rely upon the local Chambers of Commerce to do the promotional work. On a wider scale the Mid-Western Ontario Regional Development Council (M.O.D.A.) has an active program for encouraging industrial and general economic growth. The membership supporting the activity is entirely on a voluntary basis, and at this moment there is considerable doubt about the future of M.O.D.A. A great number of policy statements have been made over the years about the role of Regional Development Councils, and to ignore M.O.D.A. in a study of this kind would be a considerable oversight.

The M.O.D.A. region embraces four Counties: Huron, Perth, Waterloo and Wellington — which are referred to as Zones One, Two, Three and Four, respectively. The number of municipalities which were members in 1968 (as of August, 1969, membership for that year was not resolved nor could it be predicted) was as follows (by County): Huron County, twenty-seven<sup>1</sup>; Perth County, fifteen (the City of Stratford is the only municipality not a member); Waterloo County, four (eleven municipalities not members); Wellington County, all twenty-two municipalities. Members of the zone committees are also members of local councils. The exception to this would be in Waterloo County (Zone Three) where only six of nineteen zone members were also elected to local councils.

The board of directors for the entire M.O.D.A. area comprises twenty-two members of whom five (or twenty-three percent) were from the Waterloo Area, which has fifty-two percent of the population of the M.O.D.A. area. These included a member who was also an elected council member from Waterloo Township (the reeve), a member who was also an elected council member from the Town of New Hamburg (the mayor), the planning director for the City of Kitchener (one of that city's two appointed zone members), the planning director of the Waterloo County Area Planning Board (invited by the board to serve as a member at large), and a prominent Kitchener industrialist (invited by the board to serve as a member at large). In 1969 M.O.D.A. prepared an economic development plan for its area at a cost of \$10,000, of which \$5,000 was from a special provincial grant. This was one of a series prepared by the ten development councils for submission to the provincial

government, and which are to be incorporated in development plans covering the whole province.

### **The Complexity and Problems of the Planning Process**

The right combination of geographic and political arrangements in the pursuit of effective planning continues to elude definition. One thing is clear, however. There is a genuine and urgent concern on the part of all levels of government and many other interested organizations and individuals that the institutions which manage and shape the resources of the community should be examined for their effectiveness.

Members of councils, members of planning boards, professional planners, developers and residents unanimously expressed the opinion that the planning process is, in many respects, cumbersome, tortuous, time-consuming and pre-occupied with detail. Much time and energy is directed to immediate issues which have to be settled in elaborating general planning policies. As a consequence, not only is there not the time to plan on any comprehensive or fundamental basis, but also those responsible for planning have become accustomed to a preoccupation with narrow issues instead of looking at the broader ones.

Behind all this there is the confusion in the planning structure. It is impossible to determine what the division of responsibility is between local planning boards and the County Area Planning Board, between the planning boards, and the municipalities, and between the planning boards, the municipalities and the Department of Municipal Affairs. A large number of provincial agencies participate in or influence planning in a variety of ways, as do a number of the local bodies. It is not going too far to say that activity is so diffused that everyone has a say but no one is responsible, and that the statutory responsibilities are not in accord with those found in practice.

For example, there has been much criticism of some municipalities, especially the rural townships, for permitting scattered subdivisions, yet in law the Minister of Municipal Affairs is responsible for approving subdivisions. Municipalities and local planning boards may be consulted by him, but have no legal right to be so consulted. On the other hand it is the municipality which must initiate subdivision control by-laws, and which is faced with the problems created by development.

The evidence is clear that in the Waterloo Area there is still great difficulty in developing plans

<sup>1</sup>Huron County has only twenty-six municipalities but Grand Bend (Lambton County) is included in Huron for purposes of M.O.D.A.

and inadequate machinery to implement plans that have been accepted. In the confusion relating to responsibility, a central question is: where does one level of government's responsibility for planning end and another's begin? When the number of authorities engaged in planning is great and includes municipal councils, planning boards, provincial government departments, provincial special agencies, and regional bodies such as the development councils and conservation authorities, the confusion is understandable.

The reforms in planning arrangements that have been enacted in the Waterloo Area demonstrate an attempt to create a planning structure which will recognize the need for a comprehensive approach to planning activity: hence the wide membership, representing each municipality, in a single planning board for the Waterloo Area and an elaborate committee structure drawing on a wide variety of local and provincial agencies. While progress is being made by the Waterloo County Area Planning Board towards an integrated plan for the whole Area, the questions of whether it is an appropriate agency to prepare effective plans, and whether it has the capacity to carry out plans which have been agreed to, are a source of some considerable concern. Will the present political arrangements permit the orderly use of resources proposed in the planning concept? On page sixty of the Waterloo County Area Planning Board brief, it is suggested that "one of the basic weaknesses of regional, area or joint planning has been the inability of the planning agency to fully implement its plans. This is primarily due to the absence of a single implementing body." While the Commission does not agree that this is a full diagnosis of the difficulties of planning in the Area, sixteen municipalities, sixteen planning boards and the Department of Municipal Affairs all exercising essentially the same powers under the Planning Act cannot be conducive to effective planning. The political framework for resolving major matters of public policy (in this instance, planning decisions) is seriously deficient. When it comes time to decide upon the policies that will be proposed for the Area, the Area board's voting strength is divided so that the Cities, with by far the majority of population (seventy-three percent in 1968) have a very decided minority in votes at the planning board (thirty-two percent in 1968). Can a board of such a voting make-up be responsive to the problems of the Cities when these become urgent and require, among other things, large expenditures? Further, the fact that planning decisions

are made by a body not directly elected by or responsible to the community raises questions about the adequacy of the political arrangements. Such is the case wherever appointed boards take an important part in policy formation — to say nothing of the confusion they create for the man on the street, or of the opportunity for evasion of responsibility they provide for those who wish to. The case that some would make for putting such matters of high policy outside the realm of "politics" by this means of appointed boards is a most unconvincing one. It is precisely because these are matters of important public policy that they should not be considered above or beyond politics.

Growing out of these reservations about the focus of responsibility, is the very important issue of how planning policy is to be translated into action. The Planning Director for the Waterloo County Area Planning Board raised the question himself in the early part of his remarks to the Commission: ". . . how do you implement the plan, once you have a plan . . ." In response to the question, "Is there machinery here to get the decisions made regarding development that ought to be made?", he answered that the machinery is not here and that it never had been.

To adopt an official plan for the Area, presumably it will be necessary to have the formal concurrence of the County Area Planning Board, the County of Waterloo as the designated municipality, each municipal council and subsidiary planning board and the Minister of Municipal Affairs. Of the thirty-two approvals necessary at the local level, only one can claim to have a responsibility for an overall view — the County Area Board — and its composition and deficiencies as a representative body make it possible for it to adopt policies with which any of the larger municipalities could be in strong disagreement. The County Council shares similar weaknesses, which are discussed elsewhere. In the hearings it was freely admitted that no one had any clear idea of how an official plan for the Area should be adopted and that politically the existing machinery would become unworkable as soon as the County Area Board said no on a major matter of policy in opposition to the wishes of one of the larger municipalities. The problems posed by the conflicting views of the future of the Breslau area, which are discussed elsewhere, are instances of incipient conflicts.

Under the existing structure and organization of local government and planning legislation it is not clear what rôle the local planning



boards will have in relation to the Area Board in applying policies, nor is it clear how any concepts arrived at will be put into practice. The rôle of the County as designated municipality is obscure, particularly when the Cities, as such, do not participate in County deliberations and the County has few activities related to planning. The County Area Board Planning Director confirmed that no guarantees exist to assure implementation of planning goals. He stated that under existing conditions goals may only be achieved through the co-operation and sanction of the individual municipal councils of the planning area. The Planning Director believed that it was possible to prepare a plan, but the implementation and continuing application of the plan are always in jeopardy. The confusion with respect to how plans will become fact was also of some concern to the Galt Planning Director. He drew attention to the circumstances surrounding the adoption of an official plan. While the Cities will participate in the preparation of a plan, it is the County, presumably, as the designated municipality which will adopt it. In spite of the fragmented basis upon which agreement is to be reached it was the Galt Planning Director's view that, conceivably, agreement could be reached among all parties within the present structure as to the contents of the plan.

Nonetheless, the ultimate decision to achieve comprehensive adoption of the plan would rely upon voluntary co-operation short of Ministerial action (i.e. the Minister of Municipal Affairs acting in the absence of local agreement). While the Waterloo Area has an enviable record of very cordial and co-operative relations, it is asking too much to expect very difficult decisions and actions to result from co-operation alone. If there is to be some hope for positive action in planning, the lines of responsibility must be clear and the power to act established.

#### **More Structural Problems: The Conflicts of Fragmented Planning**

It is not surprising, then, given these circumstances of chaos in planning studies, that conflicts about development emerge within and between municipalities or that unresolved difficulties arise in fitting plans together.

In its "Planning and Development Study Prospectus, May, 1968", the Waterloo - South Wellington Study re-affirmed the lack of co-ordination in planning. Of each of the urban traffic studies

done in the Area for Kitchener-Waterloo, Galt-Preston and Guelph, it stated that "the recommendations of these studies stopped at or near the municipal boundaries. It was recognized that an area highway study was needed to determine the area highway needs, and, more specifically, to determine inter-urban highway needs in the "triangle" formed by the urban centres".

The Prospectus states further that after assessing the projections used in the three Urban Transportation Studies, the Department of Municipal Affairs "decided that there were problems in determining the forecast of future land use, population, etc., in the area. These problems were particularly difficult where independent and unco-ordinated forecasts had been made for the three urban areas . . . There was a direct relationship between the area planning and development information required by the Department of Highways and the work that was being undertaken in the preparation of an official plan . . . by the Area Planning Board".

The multiplicity of planning studies is perhaps simply a function, or symptom, of what is a fragmented policy base. The Waterloo - South Wellington Study is, in an important way, an attempt to fit many of these plans together. All of the problems of fractured planning cannot be expected to be overcome by this means. As well, the ultimate solution to the problem of implementation of an overall plan is in great danger of frustration where the "implementing" body is in fact many bodies, i.e. sixteen municipal councils in the Waterloo Area alone, where membership on the advisory body, the Waterloo County Area Planning Board, does not enjoy anything close to representation by population.

The inclusion of Guelph and a portion of Wellington County in the Waterloo - South Wellington Study Area adds even more political units to the implementation problem.

Essentially, and under the circumstances, each municipality's planning concept quite understandably represents its own point of view. In a period of rapid urban growth there are bound to be differences of opinion as to where and what kind of growth should take place, particularly when development is spilling over the boundaries of one municipality which must look to other municipalities for future expansion. Annexation procedures were and are a frequently used device to meet the territorial needs of one municipality,

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<sup>1</sup>Page 6.

<sup>2</sup>Pages 6 and 7.



but with the necessary adjustment in municipal structure it would be surprising if all parties were equally happy. No matter how well-developed the art of presenting the "case" for annexation becomes, the ultimate result is usually the same: there is a "winner" and a "loser". Sometimes "defeat" is softened by a compromise. The annexing party, for example, may have been forced to take only that land absolutely necessary for immediate needs. The pejorative, "planning for assessment" has a very real effect in such procedures. On the other hand, the municipality in which development is taking place is faced with an uncertain future. Should it build up services in the developing areas knowing they will probably be annexed at some future date, or should it encourage early annexation, letting the growing municipality carry the burden of new services? Should the process of adjustment be one of a series of limited annexations to meet immediate needs, or on a larger scale? The kind of compromise usually arrived at, however, leads to very ragged-looking municipal maps and municipalities needing therapy as a consequence of bad cases of "planning nerves". The Township of Waterloo attempted some therapeutic treatment upon itself when (having already had a long history of annexations) it tried to catalogue and examine rationally the land demands of its many neighbours in "A Committee Report: Re Annexation" in September 1966. The preamble to the report calmly stated, "The Council of the Township of Waterloo, being aware of annexation applications either filed or pending by the City of Kitchener, The City of Waterloo, the Town of Preston, the Town of Hespeler and the Village of Bridgeport, appointed a Committee to investigate and report to Council on the urban growth needs of these municipalities within the Township."

The Township of Waterloo is an outstanding example of a municipality slowly being transformed through an urbanizing process characterized by piece-meal annexation. As the Township's "Statement of Policy re Area Development" (approved April 5, 1965) concluded: "3. That any major annexation or amalgamation would at this time be contrary to the best interests of the municipalities involved and the county as a whole and prejudicial to any real solution to area growth problems". The fundamental difficulty of piece-meal annexation is that it is extremely prejudicial to rational planning on either side of the borders of potential growth areas.

In these circumstances some municipalities have felt compelled to attempt to formulate an

expansive view of development. An example of this is provided by the planning concept, "Kitchener 2000", which was an attempt to rationalize urban growth throughout the northern part of the County of Waterloo to the year 2000, in spite of the lack of a cohesive or political base for planning on such a wide scale. Out of this and other isolated municipal studies came conceptual conflicts in planning and development. At the public hearings it became evident that differences of opinion existed about the kind and intensity of development that should go on in the Breslau-Waterloo-Wellington Airport area. Kitchener advanced a development policy that placed an emphasis upon substantial industrial land use in the area immediately east of Kitchener and which it had applied to annex, while both the City of Waterloo and the Township of Waterloo proposed a more balanced mixture of land use, to be achieved through a two-tier local political arrangement.

Other isolated proposals continue to be put forward for various municipalities. A developer in a proposal to the Town of Preston agreed to undertake a very ambitious residential-industrial development, thereby opening a conflict of a different sort. In this case the arrangements were discussed solely by the Town of Preston and the Peel Village Highland interests, without the participation of the County Area Planning Board or neighbouring municipalities. This project, the implementation of which is not yet finally decided, would increase the population of the Town of Preston by some thirty thousand. In projects of this kind there is always the importance of secrecy to be considered, but equally important issues are whether the representatives (councillors) of a town of less than 15,000 population should unilaterally make decisions that will affect many more thousands of people in adjacent municipalities, and whether the mechanisms for bringing in the larger consideration through the Area Planning Board and the Provincial agencies are adequate.

When existing municipal boundaries become the effective dividing line for planning decisions, there can be serious consequences, particularly if the boundary is a very poor reflection of the community of interest or interaction. What, for example, will be the impact upon the City of Galt if 30,000 people are added over a ten-year period in an immediately adjacent municipality? Questions must be asked about the adequacy of facilities of the "area" in which these people live and

work, and that "area" can reasonably be said to include Galt.

A further consideration when reviewing the impact of boundaries upon planning decisions is to speculate, for example, upon the position the City of Waterloo would have taken with respect to the entire K-W expressway, if it were not so important (as the result of other arrangements dealing with industrial location) to have industrial development in the present industrial basin in the north of that City. It is apparent that industrial development strategies, given the existing municipal boundaries and the system generally, have an effect upon a host of day-to-day planning decisions.

### **The Fragmented Local Structure and the Resultant Multiplicity of Reports**

The variety of interests affected by and responsible for aspects of planning is reflected in the multiplicity of reports and studies by various public bodies on matters directly affecting local government. A report prepared by Mr. Howard Smith at the request of the Commission shows that since 1960, at least eighty-six studies had been completed. The Commission has made a count of current studies: these total at least twenty. In a nine-year period, then, more than one hundred studies have been completed or are underway on a wide variety of subjects relevant to local government by a wide variety of authorities. See Appendix C.

The letter from Dryden and Smith Planning Consultants cautioned that the number eighty-six should not be taken as representative of the total number of studies done in the Area in the period.

We cannot suggest that the listing in this summary is by any means complete. This analysis will probably be most frequently cited for its omissions. There are dozens (and perhaps hundreds) of relatively minor studies and reports prepared by the various Planning Boards and Planning Departments throughout the area, each dealing with particular problems and matters of concern, and each of which has some significance related to the very broad field of government, planning and development, but which are not included. To attempt to collect and analyze all these reports would be an almost impossible task. Similarly the Official Plan Studies and the preparation of Plans for Controlled Development (unofficial plans) in the

various municipalities have each been based on studies of greater or lesser depth. Much of this material has never been published in any formal manner.

No mention has been made of many studies and reports which have been prepared for planning purposes in areas adjacent to the Waterloo Area. Many of these studies, and particularly those in the Guelph area, have significant if indirect application to the planning and development patterns in this area. Similarly many of the submissions to the Local Government Review Commission in themselves are major reports in this field. These of course, are not referred to in this summary.

We have found it difficult at times to determine whether a particular report or study falls into the Terms of Reference of this Summary. Many of the Transportation Studies and Grand River Conservation Authority Studies, for instance, do not perhaps deal directly with local government and patterns of development. On the other hand, it must be accepted that the plans and proposals for transportation facilities and conservation schemes will directly influence the extent and direction of growth. For this reason, the Summary attempts to include the principal studies and reports in these fields.

This summary report, then, in listing some eighty-six studies, in a sense reveals only the top of the iceberg. It shows a great patchwork of activity which has little cohesiveness or continuity. There are studies authorized and carried out by a number of public authorities (including local councils, planning boards, provincial government departments and agencies), sometimes using their own personnel, sometimes employing university staff, at other times engaging private consultants. There are studies which deal with traffic and transportation; conservation, parks and recreation; services; population and commuting; land use, agriculture and urban growth; schools and education; business, industry and finance; urban renewal; economic survey and general planning studies. These and more, as the letter referred to above suggests, are done for individual municipalities, often on an *ad hoc* basis with no reference to other centres which may be engaged in the same kind of study. There is little or no continuity in the studies; that is, there is little or no accumulation of historical data so that trends in various activities may be discerned: the studies are usually "one-shot" jobs. The basic data and



areas covered vary from study to study, so that in many cases comparisons are difficult. A study done in one year in one area is difficult to compare with a study done in a somewhat different area two years later. The *ad hoc* arrangement also means poor continuity in the personnel addressing themselves to these problems, so that in many cases researchers are starting from scratch each time they embark upon a study.

For example, there were fourteen population projections included in the eighty-six reports. The techniques used ranged from "experience indicates that cities of this size double their population every twenty years" to simple projections for thirty years into the future of the percentage of population growth over the last twenty years not allowing for changes in population because of past annexations, or for anticipated changes in birth rates and population migration in future. In some cases it was determined that the projections were made by junior staff, and in no case was there any evidence of care being taken in collecting and analyzing statistical information — yet these were often expensive studies, and major public-works programs involving tens of millions of dollars were being based on these frequently inadequate assumptions about the extent of future development. In no case was there any evidence that those making one projection made any use of, or even were aware of, any other projections.

That there have been a large number of studies indicates at least an awareness of certain problems. That there should be so much overlapping and such a high proportion carried on by consultants is a damning indictment of the capability of the administrative and political structure to identify and meet the needs of the Area.

Many plans devise solutions which, while appealing, are beyond the means or competence of the body authorizing the study; thus many of the recommendations of the various studies have not been acted upon to date. Planning is abortive if implementation is beyond reach because of unrealistic assumptions or a lack of political and financial capacity. In other words, the multitude of authorities in the Area may plan exhaustively, as they have done and are continuing to do, but unless the plans are translated into action and the community begins to take the shape conceived of in the "Plan", the planning process is indeed sterile.

### **Fragmented Controls at the Local Level**

The Kitchener-Waterloo Chapter of the Urban

Development Institute (Ontario Division) added its voice in criticising delays in construction and development, which are related very closely to the structural problem — that is, the divided system of controls. The Institute called for uniformity in local regulations controlling zoning, building, engineering-design standards and specifications, and subdivision agreement requirements, which may and do vary from municipality to municipality. In support of its contention that uniformity might be achieved by vesting such controls "in a Regional Government authority", the Institute submitted an Information Report prepared by the Waterloo County Area Planning Board<sup>1</sup> setting out the significant differences in controls which occur among the three Cities in the Waterloo Area. The County Area Planning Board also supplied a chart describing the processes by which various development controls are administered. The chart makes it clear that the measures of control are cumbersome, and involve approval procedures that require the participation of many authorities at the local and provincial level.

Other control difficulties arise where planning jurisdictions are divided. The City of Kitchener's Planning Board complained that uncontrolled development inside and immediately beyond its borders (although it has been better controlled in recent years) creates very real development difficulties: "The sprawl along Victoria Street in the City and out in the Township causes problems. The K-Mart at the entrance to the City has been another problem as far as traffic is concerned."

The Planning Director pointed out that they are forced, at greater expense, to build highways around these areas of sprawl rather than through them. Dismay was also expressed at the inability to widen some highways. Building has been permitted too close to the right of way to allow for road widening. This he believed to be the fault both of municipalities and of the Ontario Department of Highways.

### **The Department of Municipal Affairs and Local Planning: Some Problems**

The complexity of structure and overlapping of responsibility for planning activities at the local level is paralleled at the provincial levels. Not only is there no clear view of what are the appropriate responsibilities of the respective levels of govern-

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<sup>1</sup>See "Information Report — Development Policies and Regulations of the Cities of Kitchener, Waterloo and Galt," Waterloo County Area Planning Board.



ment, but also there are a variety of provincial agencies involved in planning: some, such as the Department of Municipal Affairs, to approve of or be consulted on local planning proposals; others to initiate development or activities related to planning, such as the Ontario Water Resources Commission, the Department of Highways or the Ontario Housing Corporation. Mr. Norman Pearson, a well-known consultant in planning matters, in his submission to the Review gave the opinion that there was a tendency to "refer everything back to Toronto for a decision". He suggested that many of the detailed matters should be left in the hands of local government. Then the upper levels of government should not interfere in the management of such details unless these impinge upon major matters of provincial or federal policy.

This clearly implies a need for provincial planning policy and goals to be established in order to determine what "details" might be appropriately reviewed at the provincial level.

A look at the "Network Diagram of the Steps in Securing Ministerial Approval of an Official Plan"<sup>1</sup> indicates clearly the detailed supervision the Department of Municipal Affairs feels compelled to impose upon the preparation of an Official Plan under today's circumstances and system of local government. An early step in the Department's review of a submitted plan is to "... review plan for major defects, deficiencies, discrepancies, consultation need . . ." It is difficult to interpret what is meant by "major" in this context. What, in fact, is a major defect? Is it a defect in terms of the overall impact of the plan in a provincial scheme of development, or a defect in terms of the "wrong" size of floor space allowed in a given area or the absence of the name of a school?

What is most perplexing is the effect that such a review, which is clearly intended to be searching and exhaustive, will have upon the local drafters of an official plan. Why should a local planner or council take his job seriously if so much examination is going to take place further up the ladder? On the other hand, when a thorough, competent and painstaking job is done at the local level, exhaustive review at the Provincial level must surely be not only a duplication of effort but a considerable irritant as well.

As noted earlier, local councillors and professional planners, among others, were unanimous

in their frustration with provincial government concern for detail in planning matters. A number of submissions were received which indicated the cumbersome and time-consuming steps in communication which apparently must be taken before arriving at decisions regarding "suitable" development.

The Planning Director for the City of Kitchener had perhaps even more concern for what happens after an official plan is adopted. In speaking before the Commission, Mr. William Thomson, the Director of Planning, outlined the delays that occurred with reference to Amendment No. 22 (Kitchener Official Plan). This amendment, dealing with the Downtown Area, took almost three years from original submission in 1965 to the date it finally took effect. The steps to approval were outlined to the Commission by the Kitchener Planning Department as follows:—

#### Amendment No. 22 — Kitchener Official Plan

- The Urban Renewal Plan covered the Downtown Area, stretching from the C.N.R. tracks on the north and west to Madison Avenue on the south and as far as Samuel-Gordon-Lancaster on the east.
- During the early months of 1965, consultations were held with Department of Municipal Affairs officials to iron out any problems that might arise from the Amendment and to receive advice from the Department on policy changes.
- The amendment was studied and presented at public hearings and to City Officials during April, May and June 1965.
- July 5, 1965 - approved by Planning Board.
- Oct. 12, 1965 - received letter from Official Plan Section of Department of Municipal Affairs stating that a delay will be necessary until Separate School Board discusses future school site.
- Separate School Board unintentionally objected, and Planning Director invited it to further discussion of its points.
- November 1965 - Separate School and Planning Director met and agreed there was no problem.
- December 21, 1965 - Planning Director wrote to Official Plan Section suggesting their representatives come to Kitchener to discuss problem.
- January 26, 1966 - letter from Official Plan Section, Department of Municipal Affairs,

<sup>1</sup>Illustration 2. **Network Diagrams and the Official Plan.**  
Department of Municipal Affairs, 1968.

stating Separate School should indicate that it no longer objects and that Department of Municipal Affairs is awaiting a revised amendment which more readily describes the Urban Renewal concept.

- February 3, 1966 - letter from Planning Director to Separate School Board requesting that the School Board write to Department of Municipal Affairs and withdraw objection.
- February 10, 1966 - letter from Separate School Board to Department of Municipal Affairs stating that it did not object to the proposal but apparently the Department of Education for the Province had thought there was an objection and so informed the Department of Municipal Affairs.
- During 1966 the Planning Director met with departmental officials about the wording in the amendment, and objected to some proposed changes.
- July 7, 1967 - As the Planning Director considered it hopeless to argue further, since it could hold up the Urban Renewal Plan, a Planner was sent to the Department of Municipal Affairs to work out wording of the amendment to their satisfaction.
- September 8, 1967 - Planning Director forwarded the revised text to Department of Municipal Affairs.
- October 16, 1967 - Council passed an amending by-law (6328) because of text changes to Amendment.
- November 23, 1967 - Upon request, further copies of text were sent to the Department of Municipal Affairs.
- December 14, 1967 - Planning Department received a letter from the Department of Municipal Affairs requesting clarification of certain points in text that they had already recommended and agreed to. Apparently this was because the first person who had dealt with the file had left the civil service and his replacement was unfamiliar with Canadian practice.
- December 1967 - Planning Director telephoned the Department of Municipal Affairs and suggested this was last straw and that they read what must now be a thick file.
- January 4, 1968 - Planning Department followed telephone call with a letter to “finally” clear up the matter.
- January 12, 1968 - A planner in Planning Department telephoned the Department of

Municipal Affairs to further clarify.

- January 15, 1968 - The Department of Municipal Affairs telephoned stating the amendment was now at approval stage but required an amending certificate page to be signed by Mayor and Chairman of the Planning Board at time the by-law was passed.
- September 25, 1968 - The Minister of Municipal Affairs finally approved Amendment No. 22.
- Some of the comments the Department of Municipal Affairs made about amending the text, in the letter of December 14, 1967 and in the telephone call of January 12, 1968, together with the Planning Director's comments on these were:
  - a) a road map should be included (yet roads were included in the land-use map).
  - b) The Perimeter Route should be defined (this is on map and discussed adequately in text).
  - c) The words “Joseph Heins Section” must be changed to “in the area of the Joseph Heins intersection”.
  - d) The park in front of City Hall was not designated as such on the land-use plan (yet the park is part of the park mall on the map and in the text).
  - e) Where is Suddaby School? (Who cares — its location is shown, but who names schools on an Official Plan map?).
  - f) Delete words “hire considerable numbers of female help” from our definition of industry in one particular area of the Downtown (why argue?).
  - g) Why were policy statements regarding the minimum housing by-law standards not included as part of our Official Plan? (We stated the policy that there should be such a by-law which will be part of Urban Renewal and need not be in Official Plan) —and so on.

As a result of the delays encountered, Mr. Thomson asserted that the City of Kitchener is very reluctant to seek adoption by the Minister of its current draft Official Plan (the Official Plan being amended in the case cited was an earlier plan covering only a small part of the City). Mr. Thomson stated that Kitchener has never had an amendment to the Official Plan approved in less than a year after it arrives at the Department of Municipal Affairs. He did believe that the turnover in planning staff in the



Department of Municipal Affairs contributes to delay, but the main irritant and delay is in a pre-occupation with detail.

Other evidence of a similar nature, including frustrating delays in the approval of official plans and amendments to existing ones, was offered by all the other planners in the Area. The general feeling was that the legislation was fundamentally acceptable but that the way it was administered made for delay and frustration. The resultant pre-occupation with questions of detail and immediate issues put a drain on energy and resources which could more appropriately be devoted to major problems and larger issues. One result was that some municipalities were refusing to adopt official plans because of the complexity of the procedures and the difficulty of obtaining amendments. Instead they were adopting "unofficial official plans" or "development plans". As the legal effect of an official plan is largely negative, preventing a municipality from doing anything contrary to the plan, they felt that they had little to gain and everything to lose under the present procedures.

More delays and frustration apparently occur when municipalities anticipate development in the form of subdivisions but are forced to sit back and watch helplessly while the expected development goes through what local authorities consider to be inordinate delays and "red tape" in the Department of Municipal Affairs. This was another cause, local authorities agreed, of considerable cost and resentment. Some examples of these delays were submitted to the Commission. Perhaps it is fair to say that some of the examples given were of the most extreme variety and not necessarily representative of the general situation. Nonetheless, these lengthy delays do occur very frequently, their length is not easily predictable, and the reasons given for them often appear inadequate. The minimum time for a simple subdivision from original submission to the Minister of Municipal Affairs to final approval was stated to be six months; if there were complications, the time could be measured in years, not months.

In a letter to the Commission, Mr. Howard Smith referred to delays in many aspects of planning approvals, noting that these delays are not the fault of any one particular level of government. However, he did suggest that "in all negotiation with the province, delay, red tape and frustration seem to be the rule and not the exception".

The City of Kitchener's Planning Board drew particular attention to its view that the local planning administration is adequately staffed and competent to provide the planning controls now exercised by the Province. The Commission received several examples of the delays typical of the subdivision procedures: the following one involves the City of Kitchener, as presented by that City:

#### Rolgreen Developments

T - 18610

This was a subdivision of a large block into small single family lots for medium- and low-priced homes.

—Preliminary application was received early June 1967.

—June 28, 1967 - Planning Department started its study.

—July 12, 1967 - Application was circulated to utility concerns, school boards and city departments, etc.

—July 20, 1967 - All replies were received by Planning Department.

—August 17, 1967 - Planning Department Report was prepared.

—August 17, 1967 - The Committee of Whole of Planning Board approved.

—August 23, 1967 - Planning Board approved.

—September 11, 1967 - Standing Committee of Council approved.

—September 11, 1967 - Council approved.

—September 22, 1967 - Department of Municipal Affairs' Questionnaire received.

—September 29, 1967 - Questionnaire form returned.

—October 26, 1967 - The Waterloo County Area Planning Board approved the plan.

—December 7, 1967 - Planning Department wrote Department of Municipal Affairs requesting information and reason for delay of plan.

The Commission learned later that the draft approval arrived February 2, 1968 and final approval was received by the City on May 28, 1968. In the period from September, 1967 to May 28, 1968, a total of eight letters were written by both parties. In one letter the City assured the Department of Municipal Affairs that all the conditions of approval had been met (May 1, 1968). In a return letter the Department of Municipal Affairs asked if certain amendments had been made to zoning regulations. This ques-



tion referred to one of the conditions which the City had assured them in its previous letter had been met. This extensive exchange took place on a subdivision that was considered to have been of minor size.

Accompanying the letter (dated October, 1968) from Mr. Howard Smith were two examples of delays in getting development underway. One of them is quoted here:

#### Lincoln Village Limited — City of Waterloo

Lincoln Village, Ltd., was a company formed to develop a major residential neighbourhood on lands immediately adjacent to the City of Waterloo but lying in the Township of Waterloo. A total of 760 acres of land was acquired during late 1961 and 1962. Preliminary planning and design were carried out during 1962, and our records indicate that the first formal meetings with the Municipality began in 1962. We list a chronological sequence of events to indicate the time lapse between acquisition of land and actual approval of plans for registration:

December, 1962 — First discussions with officials in the City of Waterloo concerning proposals to develop Lincoln Village.

January, 1963 — Second discussion in Waterloo with officials concerning Lincoln Village development, roads and servicing problems.

January, 1963 — Joint meeting in Waterloo with Committees of the City and Township to discuss the proposal. As an outcome of meeting, letters were written to both municipalities formally requesting their consideration.

February, 1963 — Report (Dryden and Smith) to show first general breakdown of areas by uses, school requirements, rough cost estimates, etc.

March 1, 1963 — Outline of proposal and cost was presented to Waterloo Township Council. Council requests a more detailed report and cost estimates on servicing.

March 10, 1963 — Joint meeting of councils in Dryden and Smith's office to discuss.

March 19, 1963 — Lincoln Village, Ltd., retains consulting firm of Proctor and Redfern to prepare preliminary servicing report and cost estimates.

June 7, 1963 — Meeting with City of Waterloo officials to outline proposals and preliminary report on costs as prepared by Proctor and Redfern.

June 21, 1963 — Joint meeting in Waterloo of City and Township Committees to hear out-

line of proposal and costs from Proctor and Redfern report.

July 15, 1963 — Outline of plans, proposals and costs is presented to Waterloo Township Council.

July 31, 1963 — Joint meeting of City and Township Councils is held to review presentations and cost estimates.

September 4, 1963 — Public meeting is sponsored jointly by the City and the Township to outline proposals to the general public. Notice of meeting by mail to all people in area.

September 16, 1963 — A motion is passed by Waterloo Township Council re services.

October, 1963 — An application for annexation is filed with the City of Waterloo for the Lincoln Village area, and at the same time an application for subdivision is filed for the Lloyd Metzger property and William Oliver property. Copies of the three applications are filed with the Township on the same date.

December 17, 1963 — All members of new Waterloo Township Council in Mr. Smith's office to review the background of the development and annexation application.

March 12, 1964 — Second public meeting sponsored jointly by City and Township. Notices are sent by mail to all people in the area. Annexation proposals are outlined.

May 19, 1964 — By-law (No. 1996) to make application for annexation is passed by City of Waterloo.

June 15, 1964 — Hearing by Ontario Municipal Board.

June 30, 1964 — Decision by Ontario Municipal Board.

January 1, 1965 — Effective date of annexation.

February 17, 1965 — Application to Minister of Municipal Affairs for approval of Draft Plan of Proposed Subdivision — Stage 1 (85 of 760 acres).

April 29, 1965 — Receipt of plan acknowledged by Department of Municipal Affairs.

December 20, 1965 — Draft Plan approval from Department of Municipal Affairs.

June 9, 1966 — Final Plan approved by Department of Municipal Affairs.

Stage 2 of the proposed development (an additional 120 acres, more or less) has recently (1968) been submitted, and there is no indication of when approval for the second stage might be considered. The long delay between the first and second stage was caused by the apparent inability of the Department of High-

ways to determine its right-of-way needs for the Conestoga Expressway through these lands. Incidentally, although the Department of Highways has intended to locate the proposed Conestoga Parkway through the middle of these lands and although the designers and owners have been in contact with the Department of Highways of Ontario fifteen or twenty times over the past four years trying to determine their requirements, there has not been — to this day — any indication by letter or plan to the owners that ANY land is being acquired. Land for this proposed development was acquired in 1961 and 1962 and it was not until June 1966 that a plan of subdivision for the first small section was approved for registration.<sup>1</sup>

It must be noted that, while formally the responsibility rests with the Department of Municipal Affairs, the practice in the urban municipalities at least is for developers to approach the municipality first. Moreover, even on quite large subdivisions, the key matters to be settled are at the local level, provincial involvement in matters of both primary and secondary concern in most cases being much less significant.

### The Ontario Municipal Board and Planning

The Ontario Municipal Board, a quasi-judicial body with wide and important powers, exerts very real influence upon planning at the local level. The power wielded by the Board in respect of municipal budgetary approvals can be an important factor in one of the most critical aspects of planning: the carefully selected distribution of service facilities and development of a given municipality. If it could be shown that the Ontario Municipal Board has never held up an important facility through its deliberations, it would still remain unclear how such “outside” approvals are supposed to foster and encourage responsible *local* government when so much responsibility rests with an appointed board.

Reference has been made earlier to the frequent use of annexations to bring about a very limited kind of local structural reform. The apparently narrow approach taken by the Ontario Municipal Board in adjudicating annexation cases perhaps underlines the limited usefulness of this Board as an instrument for achieving comprehensive and effective local government reform.<sup>2</sup> An

example is provided by the procedure, over the years, in the case of Waterloo Township’s many annexations. Further evidence is contained in the July 1968, hearing of the Town of Preston’s application to annex some 1,500 acres of land in Waterloo Township (which was subsequently successful). The chairman of the hearing called for anyone to show why the Town of Preston was not the appropriate municipality to annex or to take over the lands in question. The Board apparently chose to overlook an agreement (with the developers of Peel Village Highlands) related to the annexation (and indeed refused reference to this agreement) in which the Town of Preston apparently abdicated its responsibility to govern. It is difficult to put any other interpretation upon the effect of the clauses in the agreement (dealing with the preparation by the developer of a Master Plan) which, on page 6, states:—

(3) (c) that mutual agreement on said draft Master Plan, and the land uses designated therein, *shall*, be reached within a further ten (10) working days of said meeting between the Owner and the Town, and after said further ten (10) working days the Town *shall* approve the draft Master Plan; and (d) . . . and the land uses designated therein are not subject to change by the Town at anytime thereafter; and (e) . . . and it is expressly understood and agreed that the Town at no time hereafter will require any change or changes in the design criteria and standards as set out in schedule “c” hereto.

This agreement shows an intent upon the part of the Town of Preston that would lead to “government by developer” rather than by those duly elected to act in the interest of the local population. The question is raised again: who shall be the planner? Further, and far more fundamentally; why does a municipal council fail to take its responsibilities seriously? Is it a failure of the council alone or is it a reflection of the entire system of government? A reading of this Peel Village agreement raises serious questions about the entire governing process and the capacity of the Town of Preston to assume larger responsibilities.

The Board in its decision stated, “In the Board’s opinion this contract is irrelevant as far as the present application is concerned. The Board is not granting this application because of this contract but is granting it because it feels that the greatest common good will be served by annexing the area to the Town of Preston”. There may be some differences of opinion as to what

<sup>1</sup>Stage 2, amended, was given final approval, Oct. 22, 1969.

<sup>2</sup>Only in the case of the Kitchener application did the Board see, belatedly, that there was much more at stake than an annexation of some 7,500 acres of land.



“the greatest common good” means in terms of responsible government.<sup>1</sup> The issue of who shall be the effective governing body is further confused by the attitude conveyed by the Decision statement that, “It may well be that this agreement will have to come before this Board for approval before it can become operative. If this is the case the Board can then consider whether the contract is provident or not.” Why do not local councils make such decisions? Are they not elected to act in the interest of their constituents and to decide what is or is not provident?

The confusion that can arise is further illustrated if one first reads the Peel Village Agreement, and the commitments it sets out for the Town for future development, and then reads the following extract from the Town of Preston’s Amendment No. 5 (revised) to the Official Plan of the Preston Planning Area, 1962. “It shall be the policy of the Municipality to permit Residential development only at such times as new developments can be served with basic Municipal services and when the Municipality has declared that it has the ability to provide the additional educational, police, fire, recreational, street maintenance and other facilities which are required as a result of such development.”

The Peel Village issue serves to illustrate, not the uniqueness of the Preston difficulty, but rather the reasons for confusion, generally, about who is responsible for what at the local level. The Commission does not wish to single out the Town of Preston for criticism. Rather the intent is to show by this case study the confused circumstances of responsible action that many municipalities face and that the system and process of government engenders.

It should be noted that on January 30, 1970 Mayor Millar of Preston was quoted in the Galt Evening Reporter as saying that the principal figure representing Peel Village in its negotiations with Preston, Mr. Watson, told her that . . . “the Peel Village agreement was not a legal document or even an agreement — only a statement of intent.”

### **The Provincial Government and its Multi-Departmental and Agency Involvement in Planning**

As the evidence shows, some conflicts are what could be termed local and some are brought on

by the many varying conceptions of control and development held by various provincial government departments and agencies — notably the Department of Municipal Affairs, and to a large extent the Ontario Municipal Board. But there are many other provincial departments and agencies whose activities have an impact upon local arrangements. In its brief the Waterloo County Area Planning Board discussed the lack of liaison and of comprehensive or overall provincial policy regarding planning and development among its many departments and agencies.

The Planning Board claimed:—

That the opinion has often been expressed that local government is working very much in the dark. That it receives no direction or explanation of its own specific function in relation to the total provincial picture . . . Largely relying upon by guess and by God methods, municipalities have frequently predicted what they believe to be their own future functions, and have, in fact, sometimes received support for such actions from individual provincial departments (e.g. Municipal Affairs’ approval of Official Plans), only to be rebuffed by the actions of other provincial departments.

In connection with the last point, and dealing with housing, a very strong protest was raised by local authorities in August, 1968, when news broke of Ontario Housing Corporation activity in the southern portion of Waterloo Township, north of Highway 401 and the Town of Preston. As a consequence of this announcement (involving the acquisition of some 3,000 or more acres of rural land by the Ontario Housing Corporation, apparently without the prior knowledge of the municipality directly involved and those adjacent, and with apparently only limited consultation with other parts of the provincial government), the Commission felt compelled to re-open its hearings because of the strategic location of the project and in order to hear what local people felt about the implications of this project for local government. The future of Waterloo Township is a key element in the future of the Area, and this project was quite unforeseen locally. An examination of local official plans and statements of intentions for future development shows that for the area purchased no significant development was anticipated in the foreseeable future by any of the adjacent municipalities. Some planning had been predicated on the basis that it all should remain agricultural and rural for some time. This was the view expressed in the report “Kitchener 2000”.

<sup>1</sup>The “greatest common good” statement is not a very convincing argument in support of the particular decision taken by the Board. It does, perhaps, provide some insight into the depth of investigation the particular problem was allotted.



The Town of Preston has had some designs upon annexing this land, or parts of it.

A report was prepared by a private consulting firm (Canadian Mitchell Associates Limited) for Preston to examine possible areas of development on that Town's behalf. This report, entitled "Report on Growth Potential and Land Needs", looked at existing land for development within Preston and, in a very preliminary way, at the possibilities for expansion north across Highway 401 along the Breslau Road or to the west into Waterloo Township around Blair. This report, prepared in April, 1966, cost the Town of Preston \$2,000. The Ontario Housing Corporation, as far as the Commission can determine, based its decision to proceed with a multi-million dollar project largely upon the Preston study and limited consultation with other provincial authorities, such as the Ontario Water Resources Commission, the Ontario Department of Highways and Municipal Affairs' Community Planning Branch. The main point put forward by those local authorities objecting to the procedure in this land assembly was that there was a complete failure by the Ontario Housing Corporation to ask local planning authorities how this land assembly might fit with local plans for the area. Indeed, throughout the full set of hearings which had commenced in January 1968, the various municipalities and other authorities probably never reached a greater degree of accord on any subject than they did in condemning this particular action by a provincial agency. Essentially the question put by those local representatives and officials appearing was: how can councils and planners take their jobs seriously when substantial planning decisions that have a profound affect on what the local community will look like may be taken arbitrarily and unilaterally by provincial bodies? How will the input of an indeterminate number of housing units affect their own municipal plan for housing development or that of the private developer? The amount of land involved, about 3,000 acres, represents the equivalent of almost one-fifth the acreage estimated to be required for the whole of the Waterloo - South Wellington Area for residential purposes by the Waterloo - South Wellington Economic Base Study to the year 1991. Even after the acquisition was announced, it was not possible to determine what kind of development was contemplated. In some statements reference was made to a satellite town but it was unclear what was meant by this.

In a very strong statement to the Commission, R. Forrest, H. S. Smith and W. E. Thomson

asserted with reference to the land assembly by the Ontario Housing Corporation,

. . . it is apparent that the threat of "being planned" by the unilateral action of a single Provincial government department or agency still hovers over the head of local government. As a result all planning lies in jeopardy, not only in this area but elsewhere in the Province . . . we are concerned . . . opportunities still exist for independent and individualistic actions on the part of agencies involved in the total planning process, regardless of the fact that the planning process can only be successful if it is the product of the concerted and co-ordinated effort of many agencies . . . if . . . arbitrary decisions are cast, a mockery will have been made of planning as both we and, we believe, the Provincial government visualize it today.

The Ontario Housing Corporation chose not to participate in the hearing, explaining in response to an invitation that it had "nothing useful to contribute at this time". However, the general manager of the Ontario Housing Corporation, in answering questions at the Ontario Association of Counties' annual meeting at Stratford, October 1968, defended the discretionary or secret activity as being necessary in an effort to keep prices of land from accelerating. No consideration was given in his answer to the hazards that may be involved in proceeding with projects of this kind without local knowledge and participation.

The Planning Director for the City of Galt, Mr. Losee, added his voice to those concerned with confusion in provincial policy:

. . . (I am) disappointed by the confusion that surrounds just which provincial department is responsible for planning in a municipality or in an area. We have a considerable amount of confusion now in terms of whether this should be carried out by the Department of Economics and Development (now under Treasury and Economics) through its regional development councils and grants to consultants at universities or whether in fact this is the responsibility of the community planning branch of the Department of Municipal Affairs who will carry this out as a normal responsibility.

The Minister of Trade and Development announced on 3 October 1969, in the discussion of that Department's estimate, that:

Ontario Housing Corporation's 3,000 acres in the Waterloo Area will be planned to mesh with and complement the overall plan of the Waterloo - South Wellington area. I recently announc-

ed the appointment of Canadian Systems / TRW Limited to assist in the planning of this huge development which will be done in close cooperation with the local planning authorities. We have no preconceived notions as to the specific nature of the final development and we look to our consultants and the people of the area to describe for us what should best be done in the Waterloo area.

Presumably, since this is at present farmland and since no "preconceived notions" are held with respect to the land in question, one possibility is that it could be the best planned farmland in Ontario. However, six days later the Minister stated in the Legislature in reference to the TRW Limited work in the Area:

Now you referred to a \$700,000 plus study.

Let me tell you friend this is not a study. This is a complete plan. It is part of the complete overall operation. We are all finished the study. This is a plan . . .

Apparently the terms of reference include an examination of the whole Area and recommendation as to whether the site is the most suitable for development or whether there should be a large scale development on an alternative site. The nature of the development and fairly detailed planning of the development of whatever site is ultimately selected is also, presumably, to be provided.

It is significant that in the interim the Review Commission asked all of the municipalities immediately adjacent to the land assembly area and the municipality in which it took place if they had been contacted or consulted by Ontario Housing Corporation or its agents. Each municipality answered that it had not. The Waterloo County Area Planning Board with whom TRW Limited are working directly felt that the answer received from each municipality was not really accurate, since each of them is represented on the County Area Planning Board. What is apparent is that the representatives of each municipality did not realize that they could discuss or did not wish to discuss the matter before council and urge their municipal councils to express an opinion on it. In the meantime it would now appear that such discussion is too late anyway, since the Minister has stated that a plan is now being proceeded with. A number of questions remain. What participation can local municipalities and planning boards expect to have in the concept and actual implementation of this plan? Why is it that councils somehow feel that it is not their place to comment upon such development once it hap-

pens? A development of this kind, scale, and location raises very large issues of public policy for the whole region. Is the Ontario Housing Corporation the proper body to take initiative in these matters?

### **The Mid-Western Ontario Development Council and Planning**

While the Waterloo County Area Planning Board sees that it is foundering on the shoal of inadequate political arrangements, the M.O.D.A. Council, through its report, "Recommended Programme" (undertaken at the request of the Provincial Treasurer and with a \$5,000 grant), on planning and development problems within the M.O.D.A. region, appears to turn a blind eye to this hazard. The Council, through the authors of the recent report, expresses a curious notion of "grass-roots democracy". It is undoubtedly true that many people participated in discussing the problems of the region and proposals for meeting them. The most critical question relating to "grass-roots" participation, however, must be whether those making the choices can be held *accountable* by the electorate (or, if one prefers, the "grass-roots"). Serious doubts must be raised with respect to the M.O.D.A. organization as an appropriate body, in the broadest and best political sense, to make important planning and development decisions for the Waterloo Area.

The membership and executive apparatus require very careful analysis to reveal how the body works. The board of directors is not elected by the electors at large. In some cases its members are also members of local councils and reach the M.O.D.A. board of directors by co-option. Other members of the board of directors are what are known as "members at large". These are members who are co-opted to the board and who are not subject to a general electorate in any sense. The distribution of representation by municipality in 1968 shows that the City of Kitchener, with nearly 100,000 of the area's 430,000 population, had but one director on the board of nineteen, and he was not an elected member of that City's Council but the Planning Director. As well, one of the co-opted board members happened to be a resident of Kitchener. It must be asked whether bodies should be permitted to make important decisions for action in the community if they are not responsible and responsive to the general population. Can the City of Kitchener realistically expect to have its problems examined and met when it has but five percent of the membership



on the executive body, while that City's population is nearly twenty-five percent of that of the "economic region"? If its representation is only five percent of the executive, can the members expect it to contribute a greater proportion of the cost? Can an elector in Waterloo hold accountable a member of the executive who resides in Perth or Huron or Wellington?

The voluntary nature of the program makes the situation worse. Only four of the sixteen municipalities in Waterloo County were members of M.O.D.A. in 1968, and the number of members is still not clear for 1969. Again, can important planning decisions be made or even meaningful advice given by a body which will affect the City of Waterloo when the City of Waterloo has absolutely no representation in that decision-making body?

Even if the objections to the present political base for M.O.D.A. were overcome, the question of whether such a critical function as planning should be the responsibility of a single or a special-purpose agency would still remain. Oddly enough the "Recommended Programme" report fails to see this problem, even when it raises the question (on page forty-seven) by proposing "a thorough analysis of the basic and serious problems frequently encountered in attempting to implement land-use planning policies, programs and controls. All agencies and levels of government concerned must be involved in recommending and developing appropriate methods and procedures to ensure the proper implementation of plans and policies (i.e. organizational structures and processes)". The report then proceeds to ignore the possibility that one of the "serious problems frequently encountered in attempting to implement . . . i.e., organizational structures and processes" may be the single-agency or special-purpose approach. The report suggests two proposals later: "a region-wide agency to assist in integrating the planning goals, policies and programmes of the four county planning organizations, to ensure their compatibility and co-ordination of efforts. Integrative function to include communication and co-ordination with the Regional Advisory Board and other related agencies and organization." The agency proposed, by the report, to do this through M.O.D.A., which can only be described in this context as a single- or special-purpose agency. Some members of the Faculty of the University of Waterloo had grave doubts about the single-agency approach to planning. On page twenty-nine of their brief to the Commission they state "the acceptance of this

changed concept of planning means that it must be regarded as an essential part of government and not as something separate and apart from the other functions. Because it is concerned with correlation and integration it should be done by the same group who are responsible for all of the other public decisions — it should not be delegated to an appointed single-purpose body".

It may be said that the language of the M.O.D.A. report is such that emphasis is placed upon co-ordination of planning. But what does this term mean? Surely it implies political power and responsibility. The proposal to have a single regional agency to assist in integrating plans is, in the report's words, to *ensure* compatibility and co-ordination; not to attempt, or to encourage, but to *ensure*. This, then, implies very important political decision-making by a body that has very unclear political responsibility or accountability. Further complications arise from the fact that the economic region is not co-terminous with the most expansive view of regional local government. But, above all, should a "non-governmental agency", as the report itself refers to M.O.D.A., make, and put into effect, public policy?

This issue has been dealt with at some length because the structural aspects of planning activity coupled with effective democratic controls are vital to sound development. The wide discussion given the problems by M.O.D.A. is to be commended. Its efforts in industrial and tourist promotion and as a body bringing together interests from a wide area have also been commendable, but the further question of its rôle in making major decisions on public policy raises quite different issues. The arrangements for implementation of public policy, particularly where M.O.D.A. is concerned, do leave a good deal to be desired by any reasonable standard of representative democracy. The report is most deficient in that there is no proposal for critical examination of the "community of interest"; indeed, there appears to be an outright acceptance of the *status quo* in terms of political arrangements, including boundaries.

Finally, M.O.D.A.'s "Recommended Programme" is a report that purports to represent the "grass-roots" thinking of the area, yet the "introduction" suggests that: "one of the great needs in such an exercise in 'grass roots' participation is that of listening intently and patiently to what people have to say, even when you believe them to be misinformed" — and further "editing and amending those views where it seems that the group has not clearly understood the situation, is



mistaken in its position or is proposing an impractical solution". One is left to wonder as one reads the report which are "amended" and which are "grass roots" views.

A general problem in relation to M.O.D.A. is that its relationships to the local councils on the one hand and to the provincial government on the other are anything but clear. As a forum for discussion on matters of concern for a wide area it is useful, but as it moves further away from a purely advisory and facilitating rôle, the problems of defining the respective rôles of local and provincial governments in economic planning become more vital and the inadequacies of M.O.D.A. as a bridge or intermediary agency become greater.

The Mid-Western Ontario Development Council (M.O.D.A.) can perform some useful functions as a sounding board, in providing a forum in which matters of interest to a wide area can be discussed, and as a vehicle for certain promotional activities. The nature of its membership, means that it is not an appropriate body to have a strong voice in matters of concern, nor has it the staff nor significant powers of implementation to justify it having anything but a minor voice in making policy decisions. Certainly it is not considered important enough by urban municipalities for them to support it financially with any consistency, at least partly because they have the resources to do most of their promotional work themselves. It has been suggested that if it were restricted to Waterloo and Wellington Counties, where there is a sense of common interest, the large urban municipalities might take more of an interest in it, and it might become a more effective body.

The value of having separate Tourist Councils and Development Councils was also questioned when both are engaged in promotional activity. One reason may be that one works with the Department of Tourism and Information, the other with Treasury and Economics.

The change in name from Association to Council in recent years has led to some confusion, some people believing it to be comparable to a municipal council, when in effect it is only partly a governmental body with almost no power.

### **Observations and Recommendations**

In dealing with problems inherent in the planning system, it is appropriate to re-emphasize the vulnerability of sound planning in the present

municipal system. Some planning experts go so far as to say that planning processes are completely warped by the way the maintenance of proper industrial, commercial and residential assessment ratios dictates planning decisions.<sup>1</sup> There is a constant danger that the well-balanced land use plan will have to be altered to accommodate development that will bestow more immediate financial return to the municipality. When this approach is multiplied fifteen times in an area little more than 500 miles in size, the failure to achieve satisfactory results from planning activity may be better understood.

More comprehensible is the failure to achieve what is often referred to as Provincial Planning (meaning some broadly-conceived notion of desirable developmental patterns for the Province as a whole). Surely it is difficult for a provincial government to arrive at coherent planning policies (or indeed public policy in its broadest application) when the constituent parts are gripped in such a tangle of planning activity as is the Waterloo Area, and where the feed-back is best described as a cacophony. It is too much to expect a symphony of planning to replace the present discord without some substantial change in the municipal structure of the Area — and indeed, in relationship with the Provincial Government in all its various parts. If broad planning and local area planning are to achieve some success in what is clearly a very difficult relationship, it will be important that a rapport be established between those responsible for planning at the local level and those at the provincial level. To achieve this it is vital for both to be able to identify each other's responsibility and magnitude of political power.

It was made obvious in the hearings that the absence of clearly stated policies at the provincial level as to both the strategies of development and the relationship between the Province and the various local bodies is reflected in a complex consultative and decision-making process. The tendency to fasten on details has been accentuated, and it becomes even more difficult to arrive at or implement policies. As a result, municipalities are attempting to wrestle with major policies — such as control of development in agricultural areas, housing and industrial location — while lacking the necessary legal powers and financial and administrative resources. At the same time,

<sup>1</sup>There are other financial considerations integral to planning that are influenced by provincial policy, in connection with grants-in-aid. The timing of works critical to the realization of planned growth may at times be more a function of eligibility for grants than of need.

the provincial planning bodies which should be preoccupied with major policy matters are mired in matters of detail with which they are not always in a good position to deal.

If the community were defined differently in political, social and economic terms, would certain municipalities hold to the developmental policies they now put forward? Would narrow planning for assessment be put in the background (or indeed eliminated) in favour of a more balanced approach to the ordering of the community's resources?

The Commission has taken some pains to hear the many opinions on planning and its problems, and to describe a complex, confused political and administrative activity which evokes considerable frustration at all levels of government — and in private life. The important matter of political responsibility is most unclear under the present circumstances and arrangements.

The real test of planning is not to be found in examining the colourful, detailed maps and designs on the walls of the planners' offices or in whether an Official Plan has been adopted, but in examining the condition of the community itself. Planning controls have been available and in use for many years in the Water Area, yet many serious problems exist, as a good deal of evidence in this Report indicates.

It may be, however, that it is not the political system which is at fault. From a cause-and-effect approach it would appear that the system simply reflects a society that has not really made up its mind about planning. The term "planning" continues to have a fuzzy meaning in many minds. Mankind in a community is still bothered by the fact that effective planning of resources is not really compatible with conventional notions about private property. To change the political arrangements may provide a better framework within which to approach the problems of planning. But the politicians making planning decisions will require of the electorate an *attitude* of general support for sound planning.

The arrangements for planning and the procedures followed illustrate clearly the results of extemporizing to meet the needs of a particular function in the circumstances of a rapidly changing environment and expanding public expectations as the quality of public services. What was originally fairly simple legislation based on a few well defined principles — that planning should be on an area basis, that public intentions as to planning should be stated and stated clearly, and

that planning is of concern to more than just the municipality and must take into account a provincial interest — has been so modified in practice that what should be a clarifying process has become a tangle. If one were to ask what are the results of over forty years' effort in an area basically sympathetic to planning, the answer would have to be that they are not commensurate with the effort. The emphasis has been negative — on preventing mistakes being made through subdivision control, zoning, etc., rather than on producing imaginative solutions to capture the imagination and support of the residents.

Responsibility for planning is so badly divided that it is impossible to say where responsibility rests. Both the Area and the fifteen "subsidiary" planning boards have the same terms of reference, their powers overlap those of the municipal councils, and their relationship with the Department of Municipal Affairs is unclear except in strictly legal terms. It is clear that the legislation does not correspond with the practices actually followed in important respects. As a consequence, considerable energy is consumed in finding ways to make the legislation work, and in devising informal procedures which are more appropriate to the actual circumstances.

In its positive application, planning does not imply a desire to simply stop all growth but rather to foster and guide it. To do this requires effective and comprehensive control and responsibility for allocation of resources and the location of timing of investments in roads, sewers, parks, and other public facilities. It is a mistake to assume that a body can achieve sound planning simply by being able to say it has legal responsibility for preparing plans. The position of those legally responsible for planning can best be compared to a street of old fashioned stores with imposing false fronts facing the street, but a much less ambitious stock of goods inside. Planning must be associated with the power to implement, and the body responsible for planning must have the means to carry out a number of activities in the public sector before it can become an effective planner. Real planning involves two important elements, the concept or grand design, and implementation. The latter element is widely overlooked and is a very complex process. The full effect of sound planning cannot be expected without the exercise of very real political power.

In the absence of workable political institutions and clearly stated policy, a great deal of time and energy is absorbed in consultation with all conceivable interested parties, while no one is clear



about who has a right to be consulted on what matters, or what is the framework of policies within which decisions should be made.

Rational strategies for planning and development are generally next to impossible to conceive, let alone implement, in this complex jungle of planning that we have tried to describe.

A number of steps are suggested below which would greatly reduce the problems of determining who is responsible for what in connection with planning, measures that must be taken if there are to be effective plans.

Due to the need to take into account in planning what is happening in large areas, and the limited administrative and financial resources of the small municipality, it is clear that primary responsibility for planning must lie at the area level, with subsidiary levels having the right to be consulted and to amplify policies adopted at the area level. That there should be a formal statement of municipal policy on planning matters adopted by a special procedure after ample opportunity for full public discussion, and in a form which cannot be changed lightly is obvious. The difficulty inherent in finding effective methods to achieve sound planning is demonstrated by the discouraging results of the present official plan legislation. There is an unwillingness to adopt a plan officially in many cases. The overlapping jurisdiction of the council and the planning board confuses responsibility, and if they differ the only legal way to resolve the conflict is to appeal to the Minister of Municipal Affairs. There appears to be too much concern with details and not enough with policy, and the procedures appear to be lengthy. Moreover, the rôle of the Department and other provincial agencies is unclear — is the Department concerned with the technical soundness of the plan and all its details or whether the plan is an appropriate set of policies for the community or whether the plan conforms with the plans of adjoining planning authorities or with provincial plans and policies? All of these are legitimate points of concern, but each rôle requires a different treatment by the Department of Municipal Affairs.

#### *Recommendation*

- 1) The respective terms of reference for the Area and subsidiary planning activities now performed by planning boards should be clarified to eliminate any overlap and to fix responsibility.
- 2) Just as it is required to adopt a budget,

each municipality should be required to adopt an official plan. The plan should include a statement of policies related to planning — responsibility for adopting it resting solely with the council.

It is plainly wrong that the Province should require a municipality to adopt a statement of policies, and then exercise the right to approve those policies in areas where it has not any clearly stated policy or procedure itself. The present procedures should be changed to place the onus on the Department of Municipal Affairs for showing why an official plan should not be approved, and one result of this change hopefully, would be to accelerate the trend for the Province (many more elements of the provincial government than the Community Planning Branch of the Department of Municipal Affairs are involved) to prepare plans more explicitly and to make those policies public.

#### *Recommendation*

- 3) The Department of Municipal Affairs should state clearly what its policies and procedures are with regard to various aspects of official plans. This must include statements of provincial policies on matters which affect the content of official plans.

The procedures for approving subdivisions are expensive in terms of time and energy. Certainly there is a great deal of duplication of effort, with a variety of bodies checking on each other and with ample room for professional disagreements. Why the responsibility for approval should lie with the Minister when the problems and knowledge are largely local, and there are competent local bodies which are politically responsible appropriately staffed, is not clear. A simple and better procedure would be to rest approval with the local council, requiring it to inform all other local bodies and the Province through the Department of Municipal Affairs. These outside bodies would then have a stated period within which they may declare an interest and state what conditions should be attached or why approval should be delayed until the implications have been considered further. Not the least benefit of this shifting of the onus would be to require that various agencies be clearer in formulating their own policies.

#### *Recommendation*

- 4) The subdivision approval procedure should be changed to place the responsibility on the municipality, the Province and other bodies



having the right to be informed, to make their interest known and to intervene, or request Provincial intervention.

The power of the committee of adjustment to approve the sale of individual lots can have the effect of undermining a policy of control of development through the power to regulate the subdivision power. While this power, and the committee's procedures may be generally appropriate in built up areas, the effect of a further fragmentation of jurisdiction in the subdivision process is undesirable.

#### *Recommendation*

5) The procedure with regard to severances and the committees of adjustment should be changed.

a) Authority to pass on severances should revert to the planning authority, as was the case some years ago.

b) Policies should be adopted to be included in legislation or official plans, or both, with which approvals of severances must conform, to ensure that considerations in granting severances conform to the policies regarding subdivisions.

Only if the basic framework of provincial policies within which municipalities operate is clear, can there be effective local planning. Where policy has not been already determined, each decision has to be worked out on its apparent merits. A preoccupation with matters of detail is bound to follow, because these are the matters which can be grasped, and policies tend to emerge from, or be buried in, a mass of precedents, often made in decisions of relatively junior staff.

There is a trend for the Province to be more comprehensive in its plans and to attempt to relate them to local developments such as the efforts to produce regional development plans and more sophisticated highway studies. But progress in this direction is uneven. Moreover, it is by no means clear how Provincial and municipal plans are to be made to fit together. Presumably the Department of Municipal Affairs in approving official plans ensures that they conform to such Provincial plans and policies as there are, but the machinery for reconciling Departmental plans, with policies related to land use and development is apparently still evolving.

#### *Recommendation*

6) Provincial plans, procedures and policies should be more clearly stated.

Ultimately the Province must have the last say in case of conflict between local and provincial policies because it has the formal constitutional authority, but if planning at all levels is to take on new forms, the constitutional mechanism for determining differences should only be used as a last resort. This is illustrated by the problem of the Ontario Housing Corporation project in Waterloo Township, where the Province is at once the developer and the final authority in planning matters. The fact that there are two separate Provincial agencies is irrelevant. Some public mechanism is required whereby the various considerations can be ventilated in public before firm decisions are taken — and this should go beyond "consultation".

#### *Recommendation*

7) Machinery is needed for reconciling conflicts between municipal and provincial policies.

Planning boards at present have an ambiguous rôle, and in many cases where there is a professional planning staff, the planning board is more like a committee of council than an independent body. Planning is too central to the whole range of policy questions about the future of the community to be left to a supposedly non-political body operating in some kind of sterilized, sanitary vacuum. In short, planning cannot go by default to a body that is not accountable to the electorate even in the apparent respectable guise of "citizen's participation". On the other hand, there is no reason why planning cannot be the responsibility of a committee of council, including among its members persons co-opted by council.

#### *Recommendation*

8) Responsibility for planning must rest with council, which shall have the power to determine how local planning shall be carried out as a matter of internal administration.

Table 19-1

**EXPENDITURE IN PLANNING BY MUNICIPALITY  
IN THE WATERLOO AREA, 1968**

Municipality	1968 Municipal Planning Expenditures \$	1968 Assessed Population	Per Capita* Planning Costs \$
<b>Cities</b>			
Galt	60,131	35,396	1.69
Kitchener	187,356	99,442	1.88
Waterloo	60,723	32,625	1.86
<b>Towns</b>			
Elmira	2,028	4,333	.75
Hespeler	1,700	5,942	.57
New Hamburg	1,200	2,553	.75
Preston	3,000	14,422	.49
<b>Villages</b>			
Ayr	1,950	1,178	1.93
Bridgeport	**	2,236	.28***
Wellesley	775	793	1.26
<b>Townships</b>			
North Dumfries	925	3,816	.52
Waterloo	7,457	9,039	1.10
Wellesley	3,700	5,009	1.02
Wilmot	2,200	6,689	.61
Woolwich	1,154	6,036	.47

\* Includes 28 cents per capita to the Waterloo County Area Planning Board.

\*\* No specific sum set aside for planning.

\*\*\* Costs for Waterloo County Area Planning Board included in the total county levy.





## PART THREE



## CHAPTER TWENTY

### REPRESENTATION AND RESPONSIBILITY

#### Introduction

After reading the description of services in the Area, the wonder is not there are problems, confusion, deficiencies, and inconsistencies, — it is that anything gets done at all. Services *are* provided; garbage is collected; houses are built; the police problems are mild compared to those in many jurisdictions; and there are no glaring inequalities in taxes or services. The standard of public service, as judged by honest, competent staff and concern for the public good, is high. Given time, even the problems at present existing could be substantially resolved.

But what of the future? Can the present conglomerate of local governments adapt to meet future needs and changing circumstances? If they cannot, what changes are necessary, and how far should these go?

Two main approaches are necessary to remedy the deficiencies in providing services to meet the Area's needs: improvement in the capacity and willingness of local government to act on matters of local concern, and modification of the provincial rôle in the Area. The inadequacies of local government are caused by such things as excessive fragmentation, inappropriate geographic areas, divided responsibility, restrictions on how powers are exercised, restricted and insufficient sources of revenue, the complexity of municipal law, and incomplete information. The problems of provincial-local relations arise from the complexity of those relationships and the consequent need to resolve conflicting priorities.

At both levels there are problems arising from the current mode of life, with rapidly growing demands for changing services, both in quality and in kind. The established, well tried methods and institutions have been overtaken by the tide of events. To meet these new conditions, and particularly the urban explosion, a great many changes have been made both in local government in the Area and in provincial activities related to local government. On the whole the record has been a good one — few jurisdictions can claim anything like the success of Ontario and the Waterloo Area in modernizing its local government. But, as the Red Queen said to Alice, "here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as

fast as that." Not all these changes have proved to be well conceived, or else they have been conceived in too limited a framework. (Examples of this are the County Area Planning Board and multiple voting on county council.)

While not expecting perfection, the public does have a right to expect that government will take steps to anticipate the consequences of foreseeable trends in events, and to make some allowance for the unforeseeable. Even the demands for services are complex and subject to change. Under a democracy the responsibility for action, or lack of action, should be clear, and the system should be flexible enough to respond fairly readily. In Canada, government is supposed to reflect society through the system of representative democracy. To make this workable, an adequate flow of information both to and from government is essential so that needs can be determined, priorities set and decisions communicated.

#### Representative Government

The main purpose of democratic government is to provide the services demanded by the public. To achieve this, responsibility is fixed on a body acting on behalf of, and accountable to, the community. There are two essential means of ensuring response. The representatives should in fact be just that — representative of a broad spectrum of the community. There should be the adequate flow of information mentioned above, so that needs can be assessed and the consequences of decisions seen by both the government and the governed. It follows that if the representative quality is deficient, if the power to act is limited, and if information and communication are inadequate, the ability of government to meet the needs of the public will be deficient. These deficiencies will be greatest when new circumstances bring rapid changes in the demands on government.

The consequences of unwillingness or inability to respond are clear from the description of the problems in providing particular services. Some of the reasons for the lack of response lie in the areas of finance and in the proliferation of boards and commissions. These have been dealt with already at some length. While these problems are important, resolving them does not get to the



fundamental question: why has there been a lack of response to the needs of the Area at the local level?

The basic answers to the needs for local services of the Waterloo Area must be found in the Area itself. To this end, means must be found to harness the dynamic elements that are so evident in the Area. There must be an improvement in the capacity of the local residents to make decisions on matters of local concern.

The deficiencies in the crucial representative character of local government in the Area take a number of forms, some of which have been discussed in the context of particular services.

The numerous special purpose boards and commissions complicate representation and accountability, and cannot be held to be as responsive to, or as representative of, the public as the municipal council. Indeed, one of the reasons often given for establishing such bodies is "to remove them from politics", an argument which represents a denial and a travesty of democratic theory. How can a function be removed from politics when politics is the basic process of democracy? It is only a valid argument for activities which are concerned with the application of public policy, not for establishing it. Too often it means that the body shall represent a special interest group and not the public at large. An analogy is sometimes drawn with the existence of comparable special bodies at the provincial level, but the fundamental difference is that the provincial boards are creations of and ultimately responsible to the legislature, while the municipal council often has little or no control over local boards. To date no one has argued that there should be a separately elected provincial legislature for education. The membership of boards is often representative of the community only in a limited sense as has been shown in discussing the County Health Unit, County Area Planning Board, Mid-Western Ontario Development Association, the Grand River Conservation Authority and the County Board of Education. For each of these, the attempt to ensure a minimum representation for specific interests, municipalities or geographic areas has resulted in under-representation of the largest part of the population. If it is necessary to distort representation to safeguard particular interests, perhaps it is better to re-examine the assumptions that made such special representation necessary.

The problem of representation in the Townships was touched on earlier in connection with the Village of Wellesley and the Police Village

of Baden. In both cases the problem seems to be at least in part because they have inadequate representation on the Township council. This aspect of representation is associated with the growth of the numerous small urban centres in rural areas, which change the composition of the population of the Townships and the variety of services that are expected. At present the Municipal Act sets the number of council members for a Township or Village at five, whether its population is 200 or 20,000.

#### *Recommendations*

The limitations on the size of Township council should be removed so that a council can enlarge itself to permit more diverse representation.

When a council consists of more than seven, representation should be on a ward basis, to ensure that there is some minimum equality in the distribution of representation, and so as not to complicate the electoral process unduly.

Determining equality of representation is vital to ensure responsible government. When representation is distorted, not only is government's capacity to respond to change impaired, but the elements of the population that are over-represented have a strong incentive to try to maintain their status, which may thus become even more distorted.

The problem of representation has had considerable publicity in the Toronto area. The Municipal Act says very little about ward boundaries, leaving their determination to the local council and the Ontario Municipal Board. This is too important a matter to be treated casually, and examining bodies comparable to the federal and provincial redistribution commissions are called for. Population changes are not evenly distributed and affect some places much more than others. It is therefore essential that there should be some automatic process for adjusting representation to take into account relative changes in population.

#### *Recommendation*

Ward boundaries should be reviewed at least once every ten years. To ensure that representation is based on population, any change in ward boundaries should be approved by a county judge, who shall be satisfied that the wards are appropriate. If a municipality fails to review its boundaries within ten years, any twenty ratepayers should be able to apply to the judge to hold a hearing at which the muni-

cipality must show that the ward boundaries are appropriate.

To simplify problems of determining population on which to base representation, representation should be based on resident population and not voters, using either the last quinquennial federal census, or the annual municipal census made by the assessor, rather than on the number of electors. In establishing ward boundaries it shall be required that regard shall be had for communities of interest, and for achieving approximate equality in representation. It is suggested that wards should not differ in population more than twenty percent initially.

A further instance of problems of representation is the County council. The four municipalities which have felt the greatest impact of urbanization — Preston, Hespeler, Bridgeport and Waterloo Township — have a majority of the population of the County (32,039 out of 63,420) and pay the largest share of the County net tax levy (\$513,000 out of \$1,071,000 or forty-eight percent) but only have seven out of the twenty-one members of the County council — thirty-three percent. The provisions for multiple voting modify this inequality to some extent, giving the four municipalities twelve votes out of twenty-eight, but this can never be a satisfactory procedure. In the circumstances it is not surprising that the County has not changed the pattern of its activities sufficiently to meet the emerging needs of the urban areas. Indeed, for several years the Town of Preston has had as one of its aims to be incorporated as a city, feeling that its contributions to the County far exceeded the benefits received. One reason why so many boards have been created in the Area, or functions assumed by the provinces, has been the incapacity or unwillingness of the County as the municipality with a wide jurisdiction to undertake functions of Area concern or requiring greater resources than the local municipalities afforded.

The consequences of the peculiar representational provisions of the County and the weakness of the County as an effective body for making some kinds of major policy decisions are illustrated by the County's brief to the Commission. Apparently it was felt that no agreement on the content of the brief could be reached in the County Council. Instead it was drafted by a committee of members and submitted to the Commission without even having been discussed by the Council as a whole.

The basis of representation on County council of, one municipality, one vote, was established when the differences in population between municipalities were less marked<sup>1</sup> and the number of services requiring a large jurisdiction were few. Although there have been some modifications, these are inadequate to meet present and future needs. (See Table 20-1 for size of municipal councils and representation ratios).

The views of the Select Committee on Municipal Law on county councils are appropriate:

At present, county councils are composed of the reeves and deputy reeves of the towns, not being separate towns, and of the villages and townships in the county. Provision is made for limited multiple voting. A basic principle of our democratic way of life is representation by population and the Committee has noted with interest the measures being taken at present by both the federal and provincial governments to re-distribute the electoral districts in order to give effect to this principle. Representation on many county councils is inequitable. A member who is elected to a local council is primarily concerned with the activities and affairs of that council. He is sensitive to the wishes of the people who have elected him to that office and has them in mind when he becomes involved in the decision-making process. If, at the same time by virtue of his office, he is a member of another body, that other body is of secondary importance. There is an inherent conflict between the interests of the people he represents directly and the interests of the larger community which he represents indirectly. As the activities of the larger unit of government grow this conflict of interests will become more acute, not only in the time available and allotted to the two interests, but in regard to the approach to the solution of the many problems.

Democracy in its best form emanates from the direct election of representatives at all levels of government. This method is adopted in elections at the federal, provincial and local municipal level. If the regional government is to adhere to this pattern, the regional councils should be elected directly by the people, as nearly as practical on the principle of representation by population. This should be accomplished by the use of a ward system.

<sup>1</sup>In 1881, for example, the difference in population between the largest municipality (Waterloo Township) and the smallest (Hespeler) was 7,544 to 698, and Waterloo Township had three members to Hespeler's one. Today the range is from 15,185 in Preston to 810 in Wellesley Village, Preston having two members on County Council and Wellesley one.



Ward boundaries should follow as nearly as possible the boundaries of constituent municipalities, although it will sometimes be necessary to combine or divide local municipalities to achieve equality of representation.<sup>2</sup>

#### *Recommendation*

Representation on county councils or any other proposed upper tier body having major service responsibilities should be by direct representation on a ward basis, the boundaries of which should follow those of the constituent municipalities as much as possible. This is related to the previous recommendation.

The conception of a community is clearly linked to its representative function. To the extent that significant parts of the community lie outside the formal boundaries of the municipality which is supposed to be a political emanation of the community, the ability of the council to respond to and act on behalf of the community is impaired.

It is not for nothing that "Rep by Pop" is a famous election cry in the history of Ontario. If matters are otherwise, citizens are less able to ensure that their needs are being met equitably and economically, and governments are less able to assess the merits of competing claims.

#### **Inadequacies of Information**

For democracy to work, communications and a free flow of information are essential. In the absence of evidence to the contrary, it is those needs which are most obvious and most clamorous which get priority. This is one explanation for the emphasis in local government on physical services and education. Lesser priority is given to activities whose benefits are less readily measured, such as the quality of environment, and to the needs of those members of the community least able to make their needs known, such as the family whose case is outlined in the discussion on social services. It is apparent from the chapter describing the services in the Waterloo Area that there are major gaps in our information as to what is happening and what services are provided. Two deficiencies specifically referred to are inadequate information as to where people live and work in the Area, and the impossibility of obtaining a complete picture of how services are financed. It is difficult as yet to get much definitive information on urban land uses, but extensive data are available on agricultural land.

The most telling piece of evidence on the inadequacy of information is the list of research studies in the Area, 106 of which are listed in Appendix C. It is not the value of the individual studies that is an issue, but rather the number of them. The question which they raise is why so many of these were done by outside bodies. Why could not and cannot the local bodies collect and analyze more of the information themselves? If it is because of lack of competence or financial resources this too must be explained.

At least a partial explanation is the fragmentation of local government in the Area, the general preoccupation with services rather than with problems, and the overlapping of responsibilities, which result in a misallocation of resources. For example, each municipality and most boards and commissions have their own treasurers, accountants and accounting equipment.

The collection and analysis of information of any complexity is best done on a large scale, so that information can be drawn from a wide range of sources using specialized staff and equipment. The development of federal and provincial government statistical services and the use of consultants can only meet certain needs.

In information about accounting, assessment and engineering, considerable progress has been made, but there are serious deficiencies, particularly in matters of land use and social and environmental considerations, and there are also deficiencies in the capacity to draw on various local resources. What, for example, will happen when the Waterloo - South Wellington study is finished? Will the collection of the series of information prepared for that study be discontinued and the group of experts brought together for that project be disbanded, only to be brought together again in five years time to revise and extend it?

#### *Recommendation*

That greater attention be paid to the systematic collection and analysis of information about the Area on a continuing basis. The mandate of the planning departments to work in these areas as part of the municipal administration should be made explicit.

#### **Responsible Government**

The justification of government is that it serves its citizens. To achieve this end, it must have the power to act. The ultimate test of the efficiency of government is how effectively it exercises its

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<sup>2</sup>Fourth Report, pages 174-5.



power to decide as to which services shall be provided, how they will be provided and how they will be financed, to set priorities and to ensure that decisions are carried out.

The means for making meaningful decisions in the Waterloo Area are deficient in many respects.

The most obvious gap between the need to act and the power to act is in the municipal structure itself. There are many matters of concern to a number of municipalities over which no one municipality has the power to act. The issues raised by the thrust of development into the Kitchener-Waterloo/Galt/Guelph triangle have already been touched on, as has the need at some time to decide on and construct a pipeline to bring water from the Great Lakes. At a more local level, the service needs of the Kitchener-Waterloo-Bridgeport and the Galt-Preston-Hespeler complexes are each becoming more closely inter-related.

Serious questions are raised as to the capacity of small urban and rural municipalities to provide the kind and quality of services that their citizens are increasingly expecting. From the discussion of the Village of Wellesley, and of Baden, it is evident that the small municipalities play an important part; but can the same need be met another way? One of the main reasons for establishing special purpose boards with large jurisdictions and for the provincial assumption of important functions from local government is the unwillingness or incapacity of the smaller municipalities to provide services to a generally accepted standard.

The second manifestation of fragmentation of the power to act and of responsibility is the proliferation of boards and commissions. That they perform important work and are well staffed is beyond doubt, as is the hard work and good intentions of the members of the various boards. This Report has dealt elsewhere with the problems raised by the existence of so many boards in terms of divided responsibility, of erosion of the capacity of the council to act on behalf of the whole community, of the impediments to mobilizing the resources of local governments, of the duplication of staff and equipment. Their existence is prime evidence of lack of trust in the time-tested political institutions, for which too often there have been good grounds. Very often, however, the establishment of a special body has brought short-run advantages in terms of particular activities, but long-term disadvantages for the general good, for it has delayed or made more

difficult longer-term solutions of more general benefit.

The reasons for establishing a special board are those of special pleading — that the particular service needed special procedures and financing, or that the municipality's area of jurisdiction was inappropriate. On the other hand, a proliferation of special arrangements can only result in a breakup of the whole, and such special arrangements as are made, even though few, clearly are in conflict with the municipal structure, and should be subject to periodic review to ensure that their special status is still justified. The Niagara Region Local Government Review summarized the problem concisely:

“The councillors up at Pitlochry  
Believed in the creed of Ad Hockery  
They farmed all decisions  
To boards and commissions  
And so made their council a mockery”<sup>1</sup>

In passing it should be noted that, on the whole, government departments prefer boards and commissions to councils. Lacking the same assured political position, boards and commissions are more easily subject to provincial suggestions and directions, and their procedures and programs can more readily be brought to conform with those of departments or branches than those of the municipalities. The boards or commissions sometimes become almost clients of the departments to which they look for funds, support, ideas and advice.

#### *Recommendation*

That a policy be adopted of drastically reducing the number of boards and commissions. Where their abolition is not possible, they should be brought into a more direct relationship with the municipality and standard procedures for appointment, terms of office and accountability and finance should be established. The sharing of facilities and administrative and other specialized staff and equipment, the establishment of uniform personnel, accounting and purchasing practices, and greater control over their budgeting is desirable.

These changes will place increased responsibilities on the municipal council. If council wish to retain the advantages of drawing on the knowledge and ability of various citizens who might otherwise be appointed members of a special board, there is no reason why the service could not be made the responsibility of a committee of

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<sup>1</sup>Page 67.

council to which citizens are co-opted. This is already a common practice in connection with some activities.

The Select Committee on the Municipal Act and Related Acts made a number of observations and recommendations regarding the complexities of boards and commissions (Fourth Report, pages 153 to 163) all of which appear relevant to those in the Waterloo Area.

A further restriction on the capacity to exercise powers in a responsible manner comes from the complexity of municipal law and finance. Some forms of constraints have been dealt with in connection with finance, particularly conditional grants. The body of law governing local government is exceedingly complex and in some particulars very detailed but there is no clear pattern as to why some matters are dealt with in detail and others only in general terms. The result is to add additional force to the adage that there are two kinds of lawyer, those who tell you what you cannot do, and those who tell you how to do it. (Many in local government would add that those of the first school tend to be appointed judges and those of the second school are retained by developers).

Many of the complexities arise from the lack of any clearly understood policies as to what municipalities should be doing. In the absence of such policies much effort is placed on the elaboration of the law, the guiding principles seeming to be the prevention of what are conceived as mistakes and ensuring that provincial views are conformed to.

#### *Recommendation*

That the responsibilities and underlying principles of local government should be set out as clearly as possible, and that municipal law and required financial and accounting practices should be examined with a view to their simplification.

#### **Voting**

One of the complexities of local government is the composition of and voting for members of the municipal council. In the case of Towns the offices of mayor, reeve and deputy-reeve all have to be filled by separate elections, the latter two being members of both the local and the county council. For Villages, elections are held for the offices of reeve, deputy-reeve (if the municipality is large enough) and three or four councillors, depending on whether or not there is a deputy-

reeve. There seems little advantage in this elaboration of elections and numerous disadvantages, not least of which are the complication of the voting procedure for both voter and returning officer. (See Table 20-2 for the percentage of eligible voters voting in the last election).

#### *Recommendation*

That the office of reeve (and in Towns, of deputy-reeve) no longer be filled by a separate voting procedure. If the offices are to continue — and there is no comparable position for Cities — the position should be filled by vote of council or, less desirably, go to the councillor with the highest number of votes. If the recommendation regarding direct election of County councillors is adopted this recommendation becomes superfluous.

At present the Municipal Act requires Cities over 100,000 population to have a Board of Control, which is really a directly elected executive committee with specified powers. For other large urban municipalities a Board of Control is optional. Having another set of ballots and candidates complicates the electoral procedure and the direct election of what in effect is a separate committee with distinct powers tends to be a divisive element on council.

#### *Recommendation*

That the requirement for a Board of Control be repealed and councils be allowed to determine their own committee structure in all respects.

This recommendation was requested by the City of Kitchener which would be required to have a Board of Control if it had not secured a private act of the legislature.

In recent years most municipalities have changed from a one to a two year term of office, the exception being Wellesley Township. It should be noted that in rural municipalities long terms of office are usual, in that incumbents are very often returned by acclamation or with slight opposition. The move to a two year term has been generally well received. While the short term certainly keeps councils much more aware of public opinion, the result is often a stress on short-term consideration and an inability to plan and carry through more complex and larger-scale schemes which are increasingly being demanded. Why the voters should want a short term at the municipal level, where representatives are very accessible, yet accept a four or five year term of office for senior governments, is obscure. Perhaps



they do not trust themselves to exercise their franchise wisely.

### *Recommendations*

That all elections be for a three year term, with a common election date. The latter provision is particularly necessary for elections to County council as proposed on a direct basis, and to school boards. School board elections, if continued, should be at the same time and for the same term as for municipal offices.

1) The head of the county or regional council should be chosen by the members of the council from among its own members. The areas involved are so large and the connections between the various parts of the Area such that direct election would be not only expensive but would be liable to domination by those persons associated with the largest municipality. This would be particularly true for a regional municipality. Selection by council from among its own members is the method in use at the County Council, and there are precedents for Metropolitan Toronto and the Regional Municipalities of Ottawa-Carleton and Niagara, and at the federal and provincial level.

2) As the head of council is expected to be a leader, continuation of the county's practice of annual rotation of the office of warden is most undesirable.

### **Participation**

The emphasis in this chapter has been on decision-making and the need for a focus for responsibility. The popular subject of participation has been dealt with only peripherally, not because it is unimportant, but because without clearly establishing the terms of a definite and accountable formal power structure to participate in, participation becomes an illusion taking place in circumstances in which there is no effective power. The result is a denial of the whole concept of government.

If municipalities are to take on larger responsibilities and to be more responsive to new and complex situations, then they must have competent administrative, professional and technical staff in sufficient numbers and of sufficient quality.

The rôle of the staff is vital, for council membership is only a part-time occupation and few members stay in office for more than four years. It is the staff that supplies the continuity, is the

normal source of advice, and that carries out the decisions of council. The general level of competence of the senior staff of the municipalities appears high, and certainly is above the provincial average. Serious doubts were raised, however, as to whether the present staffing is adequate to its responsibilities in terms of numbers and outlook. Certainly at the senior level, by the standards of private industry and of the federal and provincial civil services and of some of the local boards, conspicuously the boards of education, the municipalities are poorly staffed.

Reference has already been made to the excessive number of special studies carried out by consultants, as evidence of a shortage or misallocation of staff.

The Commission also made a small survey of how senior staff spent their time, and of the number of qualified staff. Most of the senior administrators indicated that not only do they put in normal office hours but that they usually spent considerable time in the evenings attending council and committee meetings and doing similar work required by their office.

With few exceptions, they do not have deputies or senior assistants who approach them in stature. This evidence is supported by a survey of senior personnel in the clerk's and treasurer's departments where it was indicated that in 1966, only sixteen had any advanced training in the form of university or other specialized courses (and only seven of these were employed by the three Cities) and seven, all employed by the Cities, had completed the municipal administration course offered by the Association of Municipal Clerks and Treasurers.

The result of this state of affairs is bound to be that senior staff are so preoccupied with immediate problems and day-to-day administration that they have insufficient time and energy left to think in terms of broader policies and to see the implications for their own municipality of changes in the world around them. The consequences of this were evident in the course of the Review proceedings. Generally, the briefs presented were competent and helpful, but very few of them showed any grasp of the real issues except to protect the position of their own municipalities. The emphasis was on redrawing boundaries and allocating functions, with only limited awareness of the reasons for the deficiencies in the existing arrangements — or even awareness that there were deficiencies. While it would be unfair to say the briefs were narrow in outlook, many of them certainly were restrictive, so that



only through extensive discussion did the real issues emerge. Although the presentations were competent, the staff appearing were obviously used to thinking primarily in terms of day-to-day problems and of minor modifications to the existing arrangements.

The most important single reason why local government in the Area has not responded to changes is probably the limited number of senior administrative staff and the consequent heavy demands on their time. Too few senior staff have been hired, there is no policy of systematic recruitment and training of administrators and professional staff, and the resulting modest savings can only be characterized as false economies. If there had been adequate staff, not only would there be savings through not hiring consultants, but much of the pressure to establish special boards and the provincial assumption of services such as assessment could have been avoided, with considerable savings to the taxpayer. In this respect the senior staff are probably themselves mainly to blame, for if they do not ask for assistance the council is not likely to take much initiative in this area, nor to be aware of the consequences of such apparent economies.

If a council has not equipped itself with the means to carry out its responsibilities, can it be said to be entitled to continue to exist?

### *Recommendations*

- 1) The reduction in the number of special purpose bodies and a modification in the rôle of those retained, together with a strengthening of municipal capacity to deal with local needs and the reduction in the number of municipalities, calls for changes in the manner in which councils conduct their business and a strengthening of their staff. This should include examination of the size of councils; the need to use committees to a greater degree to broaden representation, to formulate recommendations, and make decisions on matters of detail; the need to give more emphasis to the rôle of the senior staff in management and co-ordination and negotiations with outside bodies.
- 2) Improving the quality and breadth of outlook of the senior staff of the local governments in the Area is essential not only to the success of the reforms recommended in this report but also to ensure the continuing vitality of local government. It should have the highest priority.

Table 20-1

COMPOSITION OF COUNCILS AND RELATED DATA,  
WATERLOO AREA, 1969

Municipality	Population 1969	Heads of Council	Number of Councillors	Total Elected Representa- tives	Number of Votes County Council	Population Per Vote at County Council	Next Election	Number of persons per Rep.
<b>Cities</b>								
Galt	36,900	Mayor	10	11	The Cities do not participate in County Council.		Dec. 1971	3,355
Kitchener	105,661	Mayor	10	11			Dec. 1971	9,606
Waterloo	33,644	Mayor	8	9			Dec. 1971	3,738
Sub Total	176,205							
<b>Towns</b>								
Elmira	4,462	Mayor, and Deputy Reeve in each	6	9	2	2,231	Dec. 1970	496
Hespeler	6,082		6	9	3	2,027	Dec. 1970	676
New Hamburg	2,816		4	7	2	1,408	Dec. 1970	402
Preston	15,185		6	9	4	3,796	Dec. 1971	1,687
Sub Total	28,545							
<b>Villages</b>								
Ayr	1,224	Reeve	4	5	1	1,224	Dec. 1971	245
Bridgeport	2,228	Reeve	4	5	1	2,228	Dec. 1971	446
Wellesley	810	Reeve	4	5	1	810	Dec. 1971	162
Sub Total	4,262							
<b>Townships</b>								
North Dumfries	3,912	R. and D. R.	3	5	2	1,956	1970	782
Waterloo	8,544	R. and D. R.	3	5	4	2,136	1971	1,709
Wellesley	5,157	R. and D. R.	3	5	2	2,579	1970	1,031
Wilmet	6,858	R. and D. R.	3	5	3	2,286	1971	1,372
Woolwich	6,142	R. and D. R.	3	5	3	2,047	1970	1,228
Sub Total	30,613							
County excluding Cities including Cities	63,420 239,625	Warden	21	85	28	2,265		2,819

R. and D. R. — Reeve and Deputy Reeve

Source: The Municipalities

Table 20-2

ELIGIBLE VOTERS AND NUMBER VOTING IN LAST ELECTION,  
WATERLOO AREA, 1970

Municipality	No. of Eligible Voters	Percentage Voting
<b>Cities</b>		
Galt	20,086	31.6
Kitchener	62,022	27.1
Waterloo	18,173	33.5
<b>Towns</b>		
Elmira	2,720	43.8
Hespeler	2,586	29.5
New Hamburg	1,390	64.2
Preston	8,000	39.1
<b>Villages</b>		
Ayr	712	Acclamation
Bridgeport	1,125	53.7
Wellesley	494	Acclamation
<b>Townships</b>		
North Dumfries	2,196	44.7
Waterloo	4,589	27.2
Wellesley	2,565	38.2
Wilmot	3,403	Acclamation
Woolwich	2,995	No figure available
County excluding Cities	32,775	38.9
including Cities	133,056	31.1

Source: The Municipalities



## CHAPTER TWENTY-ONE

### THE COSTS OF CHANGE

#### Advantages of Scale

In the course of the Review, those responsible for certain services — particularly the departments of government — placed considerable emphasis on the advantages of improved services and lower costs to be achieved by larger units. Discussions took place in terms of particular services and related largely to improvements in the quality of service possible through greater specialization, permitting the hiring and better utilization of specialized staff.

This view of increased efficiency through larger units is, however, only one approach. Carried to its logical conclusion, all services would be the direct responsibility of the provincial government. It is an approach which appeals to provincial departments and to those identified with special interests and local boards and commissions.

The other approach to achieving more effective services is through the integration of related activities, whereby one authority is responsible for a broad range of services. This type of arrangement will also bring economies through better use of staff and equipment, and through an emphasis on problems rather than on functions. The existence of numerous boards and commissions and of programs conceived in terms of functions rather than problems makes this kind of integration more difficult, as evidenced by duplication of staff and equipment, differences in accounting and administrative procedures, and difficulties in allocating resources and setting priorities because of fragmentation. The most important consequence is that conceiving of local government in terms of a series of single track systems, of prescribed functions, makes it difficult to see local and individual needs in the round, rather than as a collection of functions, and to respond to them. The increasing attention given to such issues as the quality of environment, of social services, of planning, housing and transportation, all of which require a variety of approaches for their solution, means that there must be flexibility within the system of government to deal with these complex and rapidly changing problems.

Both means of achieving more effective service are appropriate in certain circumstances. In terms of this Review, which is concerned with local

government, weight is placed on integration of services at the local level so that coherent policies can be evolved to meet the unique needs of the local community and its citizens. To achieve such local competence depends on a reduction in the number of boards and commissions, on better allocation of and more competent local staff, of some re-orientation of the thinking of provincial government departments, and the development of more explicit provincial policies on local government and urbanization.

This latter approach can provide more effective local government but it means a sacrifice of short-run advantages for particular activities and government departments.

#### The Financial Costs

The question was frequently raised during the Review of how much changes in local government organization would cost — generally meaning what would be the effect on local taxes. It is impossible to give an exact answer, and any extensive calculation of how the cost of services might be distributed under various schemes would be of limited value and quickly dated. Not only does the existing financial information not lend itself to such calculations easily, but there is no accurate way of measuring the quality of present services in terms of cost per unit of service. A large scale reorganization would result in some economies by eliminating duplication and through better usage of specialized equipment and staff.

It should be noted that no evidence of gross inefficiencies was brought forward, and that major economies would be evident only in the long run. There would also be some increases in costs because of such factors as greater travel time.

The effect on the grant portion of revenues is difficult to predict because of the complexity of the formulae. The net effect would almost certainly be a sizeable increase in costs. Taxes would increase correspondingly unless there were increases in provincial grants, meaning higher provincial taxes. Some net increase is inevitable because one of the grounds for reorganization is to improve quality of services and reduce financial inequities. This means spending more money. It is sometimes referred to as the “levelling up” effect, meaning that when municipalities are combined, one does not bring all services to a

common level, which while only improving quality of services for some might reduce it for others. Rather, the pressure is to raise the level of services up to what is considered the best level. This phenomenon is touched on in the discussion of finance and of the fire and police services. Something of this sort is happening in education in addition to the redistribution of the tax burden inherent in that reorganization.

While reorganization into larger municipalities will have the result of increasing expenditures, it will also mean that better value will be received for the tax dollar. The questions remain as to whether the taxpayer is willing to pay the extra cost, and what parts of the cost should be borne out of local taxes or out of provincial taxes. Of the two alternatives proposed, the "regional government" will be the more expensive.

The other amalgamations, boundary changes and reduction in the number of special purpose bodies recommended elsewhere would also mean some increase in costs yet would also bring more predictable economies and advantages. The effect on redistributing the tax burden is more difficult to predict, as it is bound up with questions of modifications of the grant structure and the differing qualities of assessment.

Ultimately, cost is a result of policy decisions. By placing the making of decisions on the level of services on a more coherent and comprehensible basis, better decisions regarding levels of service and taxation can be made.

#### *Recommendation*

It is recommended that special provisions be made for the costs of transition, to cover the costs of the preparing for reorganization and to cover some of the costs of bringing services to a common standard, such as changing records, purchasing additional equipment and hiring new staff. These grants should amount to a minimum of \$3.00 per person, \$1.00 of which is to be used for transitional expenses to be paid in the year prior to reorganization taking effect, and the balance to be paid over the succeeding two years.

In the case of the regional scheme, this is to be paid to the new regional municipality. For the "reorganized county" scheme, payment is to be respectively to the County and Cities.

For the Area, this would amount to \$240,000 for each of three years. Against this there might be some reductions in other provincial grants such as that to the County Area Planning Board.

The Commission has no way of determining what would be a reasonable grant, but there will be some special costs and it is suggested that this should be the minimum basis.

#### **Rural Planning**

Many of the problems of rural local government are the indirect consequences of urban pressures which inflate rural land values above what can be justified on agricultural grounds. Through higher land values and demands for more and better services, the burden of taxation on farms increases with only limited advantages to the farm of better services.

The importance of developing policies for land use in rural areas was stressed by the Special Committee on Farm Income in Ontario in 1969 in its Report "The Challenge of Abundance":

The haphazard and piecemeal system under which land use planning presently takes place means that it plays no rôle in the primitive regional development planning that presently exists at the provincial level. All these difficulties must be removed before land use planning and regulation in Ontario can be made socially and economically useful on a province-wide basis.

#### *Need for changes*

In the opinion of this Committee, land use planning and regulation is not being done in Ontario in such a way as to be beneficial to the farmers of the province or to the majority of the population. Most effective planning and regulation is presently done in urban and metropolitan areas. This means that plans and regulations are largely drawn up for the benefit of urban land users. This has many adverse effects for farmers and rural people.

Land use planning and regulation could be introduced into rural areas in such a way as to provide great benefits to rural people. To do this, major changes are needed in present legislative and institutional structures. The Committee undertook a broad investigation of land use planning and regulation to make some constructive proposals for these changes.

#### *Basis of effective land use planning*

Any system of land use planning must result in a comprehensive and integrated plan which covers all settled municipalities in the province. In the more lightly settled areas, planning

can be less detailed and intensive than is required in the more heavily settled areas.

A province-wide system of land use planning needs a base upon which to build. A broad pattern must be established regarding the kind of economic and social activities the people of the province wish to have carried on in various regions. Thus, a comprehensive plan must be developed to take into account the desired regional pattern of economic and social development before land use planning can begin in earnest.<sup>1</sup>

The development of policies for the control of land use in rural areas depends in part on provincial action because of inadequate means for meeting those problems at the local level, in terms of legislation as well as resources.

Certainly the kind of planning instrument required in the rural areas is different than in urban centres. As the Committee suggested, the restrictions on the details of development need not be as extensive in rural areas. It is the means of determining whether there should be development, and its nature, that are inadequate.

In their briefs and at the hearings, the rural areas stated clearly that they believed their problems were different in nature from those of the urban centres, and that because of these and other differences they did not want to be associated with the Cities, but wanted to be left alone. If they believe this (as the Commission was convinced) it is incumbent upon them to remain different and not succumb to the siren song of development because of short-run tax advantages.

If the local government problems of the Waterloo Area are to remain manageable, it is essential that the rural residents become more aware of the problems arising from urban-type development. If they wish to perpetuate the idea of a rural community with its own needs and means of resolving them, they must be prepared to restrict development. To evolve workable procedures in this Area will require more emphasis on planning and greater administrative and policy making strength for the rural municipalities.

If the rural areas are not willing to establish effective policies in respect of urban-type development, then the Cities will insist that they have a greater say in what happens in adjoining rural areas. The question facing the Commission and the Area is whether the interests of the urban areas in rural development should be expressed through regional government or through the provincial government.

Change will mean costs in terms of greater restrictions on rural residents in some respects, many of which are inevitable. It is up to each rural area to determine whether it believes the benefits to the community are worth the costs to individuals, and whether it wishes to face the problems itself or have decisions imposed by others.

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<sup>1</sup>Pages 94-5.



## CHAPTER TWENTY-TWO

### THE PROVINCE IN THE WATERLOO AREA

#### Provincial-Local Relations

For many possible improvements in the quality of local government in the Area, provincial action is essential. Not only are so many provisional activities inextricably linked with local government, as evidenced by the large proportion of provincial revenue disbursed in grants to local bodies, but the whole structure and functioning of local government is dependent on provincial legislation.

In discussing provincial-municipal relations, it is often stated that since municipalities, under the constitution, are the creation of the province, as its creatures they are subject to its will. What is overlooked is that this relationship places a responsibility on the province for maintaining the viability of its creations. Just as there are costs in providing roads and education and other constitutional responsibilities, so there are costs in maintaining local government; and these costs entail not only money but even constraints on and inconveniences for provincial politics, administration and finance. Just as the province has a policy on highways and water pollution, so it must have a policy on local government — and that policy in some particulars will be in conflict with those on education or conservation. This point, too often lost sight of in a preoccupation with particular services, was dealt with at some length by the Select Committee on Municipal Law.<sup>1</sup>

An effective system of local government is essential if the need for services to local citizens and communities is to be met efficiently, at reasonable cost, and in accordance with local wishes. Moreover, government activities today are so complex, that many of the programmes of the provincial and even the federal government cannot be properly carried out without an effective system of local government. Many of the difficulties in carrying out such functions as slum clearance, urban renewal, town planning, pollution control and area development arise as much from the complexities and fragmentation of local government as from any other source.

The Provincial Government must assume a large measure of responsibility for maintaining an effective system of local government, both in the interest of furthering its own programmes

and because only the Legislature has the legal power to change the system. The municipalities, because they are constitutionally subordinate, functioning under and within provincial statutes, have only a limited power to alter the structure and organization of local government.

The Committee wishes to reaffirm the statement in its Second Interim Report that local self-government . . . must be preserved in order to protect, nurture and further develop to maturity our inherent belief in political freedom and personal liberty.

The same point was put differently by the Economic Council of Canada in stressing the urgency of dealing with the urbanization:

Finally, a re-evaluation of provincial legislation and regulation of municipal government, at least in respect of the large metropolitan areas, would appear to be in order. The broad aim here must surely be to assure to these governments a range of powers, and administrative structure, and the skilled manpower resources necessary to deal adequately with the enlarging variety and scope of their problems.<sup>2</sup>

The Select Committee went on to suggest some guidelines to be followed in drafting legislation:

It has become common in recent years to specify that certain powers may be exercised only with the approval of the Ontario Municipal Board, the Department of Municipal Affairs, or some other department or agency.

The Committee believes that, while this procedure is essential in some cases and desirable in others, it should be reserved for matters of importance. It should not be used as a device whereby the judgement of a civil servant or a board is substituted for that of a body of duly elected representatives. If approval is required only in matters of importance, there is a greater probability that approvals will neither be given lightly nor arbitrarily withheld. As a result, a source of irritation between the two levels of government will be minimized.

In many cases municipalities employ officials who are at least as well qualified as the civil servants who must approve the decisions of municipal councils. The result is a great deal

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<sup>1</sup>Fourth Report, page 167.

<sup>2</sup>Fourth Review, page 214.

of time spent by provincial civil servants scrutinizing the work of their municipal counterparts, with a proliferation of paper-work on both sides. The effect is to diminish responsibility of the local governing body, and to introduce a further element of delay, uncertainty and inflexibility in what is often already a drawn out and unpredictable process.

#### *Recommendations*

(1) That all legislation affecting municipalities be written in as general terms as possible, and that restrictions on, or detailed provisions relating to, the use of powers, should only be provided when

a) it is essential that there be uniform practice in all municipalities;

b) it is obvious that there will be serious undesirable results for other municipalities or the province if powers are misused or abused;

c) the powers could unjustly affect the rights of individuals if not used properly;

d) there is a danger that the power of the electorate to control the council and officials would otherwise be impeded;

e) the provincial government through a specific grant is paying a major share of the cost of an activity or project.

(2) That when approval of a Provincial department or agency is required, the department or agency responsible should clearly state its policies and administrative practices for the information of both the municipalities and the individuals who may be affected and when approval is not given the reasons should be stated.

(3) That greater use be made of permissive, rather than mandatory legislation, so that municipalities will have greater freedom to work out procedures and arrangements appropriate to local circumstances.<sup>1</sup>

In determining how various local services were provided there were discussions with various departments and agencies. These held widely differing views about the desirable pattern of provincial-local relations and the respective responsibilities for particular services. At one extreme were those who apparently considered local government as emanations of the province whose main responsibility was to carry out provincial policy as conceived by a particular department. At the other extreme were those civil servants

who regarded their rôle as being to strengthen the local capacity to provide services in the long run, even at the price of some immediate inconvenience. There is, of course, room for both approaches for some particular services. What is lacking is any clearly stated and understood general policy.

The province's relationship with local governments and with local areas is inevitably a very complex one, its nature depending on a variety of factors, not the least of which is an area's willingness to look after its own problems.

In certain respects the province is a direct provider of services to the area, as in the construction and maintenance of highways carrying (largely) traffic moving for short distances, in controlling air pollution, and possibly as a supplier of water in bulk.

A second rôle is as the body responsible for establishing general policies within which municipalities operate, for giving leadership and advice (drawing on a broad range of experience), for dealing with problems of more than local concern, for acting as a co-ordinator, and in the last resort for exercising powers of coercion when municipalities cannot agree among themselves. If the province is to be an effective advisor, there must be a reasonably clear division between primarily local and primarily provincial responsibilities, and recognition of the respective interests in joint or shared-cost programs. A main reason for extensive provincial supervision of many local activities is that while policies may be unclear, yet the need for the service is real, so that procedures evolve in response to particular problems to which the legislation is tailored rather than being based on a conception of common principles. A second reason for involvement in matters of detail is historical — the continuation of procedures evolved when there was uncertainty on both sides as to what was an appropriate course of action, with a consequent emphasis on safeguards.

Much of the legislation concerning planning and finance evolved because of the excesses of premature subdivision of suburban land in the 1920's and the subsequent financial difficulties of the municipalities of the 1930's. Consequently great emphasis has been placed on maintaining the financial integrity by restrictions on subdividing and borrowing, and on propping up the weak municipalities so that obvious mistakes are not made. But these procedures apply to both the weak and the strong without much differentiation.

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<sup>1</sup>Fourth Report, pages 165-6.



The differences in legal powers and required procedures between the Village of Wellesley, population 810, and the City of Kitchener, population 105,661, are very slight except those related to Wellesley being part of the County while Kitchener is not. Today the problems of development are found in the complexity of the service requirements and high costs, and the concern should be with the inability to decide on and carry out a policy of development and of access to and allocation of sources of revenue and capital.

One important aspect of the province's involvement in local services is that it also in a sense is responsible to the local citizens. If their needs cannot be resolved through the local government structure because conflicting local interests cannot reach agreement, then the province may intervene to meet the need directly, or to direct the municipalities as to what should be done. It may also intervene directly because of a lack of local resources in terms of money and staff.

The more the structure and procedures of local government can be simplified and financial constraints reduced, the easier it will be to decide the respective spheres of primary responsibilities and the nature of the respective interests in joint programs. The number of points of overlapping interest, and therefore of potential friction, can then be reduced, and it will be easier to concentrate on major problems.

A fourth aspect of provincial-local relations, that of ensuring a viable local government structure with the resources and procedures appropriate to meet its responsibilities, has already been dealt with, particularly with regard to legislation and finance.

This rôle includes a responsibility for ensuring that the formal structure of local government does change in forms of which incorporation and annexation are the most obvious. Traditionally, as urban centres have been established and have increased in population, they have been incorporated as separate municipalities; ultimately, on becoming cities, they cease to be part of the municipal county. The universality of this phenomenon (outside the metropolitan areas which have special problems) challenges the statement that urban and rural areas have so much in common that they should be one. (The problem of extensive suburban overspill is a different matter and is dealt with below.) To the extent that there are real differences in needs, this change is a legitimate aspiration and there are no

serious obstacles to it, except that the grant formulae have been so written that a change in name of the municipality may mean a substantial loss in grants, although its responsibilities are the same or greater.

### **Annexation Procedures**

A separate problem that is posed by the annexation procedures whereby the municipal boundaries are altered to accord with changed circumstances. Quite sophisticated procedures have evolved over the years which on the whole work well. The procedure is for one municipality to apply for a defined area; the Ontario Municipal Board then holds a public hearing at which interested parties may appear, and the Board then makes a binding decision. This has been modified recently to require the approval of the Minister of Municipal Affairs before the Municipal Board can act on an application.

In its report the Select Committee views were that:

The Committee is of the opinion that the Minister of Municipal Affairs is responsible for the effective functioning of the municipal system which should be sufficiently flexible to adjust to rapidly changing times and conditions. He cannot discharge that responsibility if significant matters, such as boundary readjustments, are placed in the hands of an independent board beyond his jurisdiction. It is his Department that has day-to-day contact with the municipalities. It is the officers of his department who know the practical problems and frustrations which arise because of the difficulties and delays involved in securing adjustments under existing procedures. It is in the officers of his Department who have, or who should have, the intimate knowledge of local administration and should be in a position to advise him in such matters.

The Committee is of the opinion that the power of the Ontario Municipal Board with respect to making decisions regarding changes in municipal boundaries should be transferred to the Minister of Municipal Affairs.

It is suggested that a full-time officer be appointed to investigate and report to the Minister of Municipal Affairs changes of municipal boundaries. Provision should be made whereby he could conduct public hearings concerning annexations or amalgamations on the understanding that he would report his findings to the Minister with whom would rest the final



decision. The services of this officer should be available to any municipal council.<sup>1</sup>

It should be noted that this Review procedure is in effect the proposal in the last paragraph, except that it is much more ambitious in scope than an annexation.

From the large number of annexations in the Waterloo Area, and the reaction of Waterloo Township to the constant threat of annexation, it is evident that the procedure is not altogether satisfactory. A basic problem is the element of agreement involved. The annexing municipality must take an initiative, and is only likely to apply for the addition of those areas which will bring it a measurable benefit. The municipality from which land is being annexed will oppose the application unless it sees advantages in being relieved of certain burdens. The resultant threat of expensive and long-drawn-out proceedings often results in an annexation by agreement, with the consequent peculiar boundaries and a high frequency of changes — as can be seen from Table 3-4 and Map 6. While the Board is supposed to see that the public interest in the broad sense is looked after, the result very often is to encourage agreement, particularly as there are no statutory provisions to guide the Board as to relevant considerations. There have been numerous annexations in Waterloo, but the resulting boundaries are not particularly desirable, and it is evident that, no matter what happens, more changes are inevitable to secure more defensible limits.

The lack of clarity in provincial-local relations is well illustrated by the wide range and complexity of the responsibilities assigned to the Ontario Municipal Board. Originally its main rôle was to safeguard the financial position of municipalities and to act in a quasi-judicial capacity in applying certain statutes. These powers have been extended and modified over the years until the Board is effectively responsible for many decisions in municipal matters, acting in both a judicial and a policy-setting capacity. Its powers in determining where municipal boundaries shall be drawn affect the future pattern of development, as do its decisions on zoning by-laws, official plans, and the amount of borrowing for capital expenditures (and even the particular projects in some instances). In these respects its powers are those normally considered within the realm of ministerial responsibility: "that a Minister of the Crown should be expected to assume full responsibility for the policies and operations of each Department and for the policies of each of the various boards and commissions. It will be clear,

of course, that this is not a new principle. It is one of the cornerstones of the British parliamentary system to which we in Ontario subscribe."<sup>2</sup>

The present lack of legislation to guide the Board in exercising many of its powers is clearly at variance with the principle of ministerial responsibility. In the absence of government policy, the Board has had to establish its own, and while the results are often eminently satisfactory, these are not the sort of responsibilities which should rest with an appointed body — no matter how capable. One result is to erode the government's capacity to ensure a viable local government structure for the Waterloo Area.

### A Question of Attitudes

The provincial government influences and controls local government in a wide variety of ways. Some of the most obvious means, finance and legislation, have been dealt with extensively. In describing the provision of various services, considerable attention was given to the administrative control whereby minimum standards of service are established, or specific decisions and programs require the approval of a department or agency, procedures and activities. A subtle and more pervasive means of influencing local governments, and particularly boards and commissions, is through contacts at the professional level for particular services (such as by the circulation of newsletters and bulletins and by organizing conferences). Much of this is desirable and necessary, but one wonders whether, when there are so many channels open to influence local decisions and to prevent what are conceived of as mistakes, there is not an unnecessary proliferation of controls. The overall result is a negative approach, an emphasis on catching errors of commission, when of greater consequence with the growing complexity of services and rapid change are errors of omission.

Some suggestion has been given elsewhere in this report of the amount of time and energy absorbed in protecting the citizens from the mistakes of councils which they have elected and which are responsible to them, not to the province. The unfortunate result of the preoccupation with safeguards has been not only extra administrative cost and delay, but also that real needs are not being satisfied. Instead, an attitude develops that it is best when possible to let some-

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<sup>1</sup>Op cit., pages 126-7.

<sup>2</sup>Report of the Committee on the Organization of the Government of Ontario, 1959, page 10.

one else do it rather than take responsibility oneself to serve the community.

The responsibility for this attitude and way of approaching public business must rest in part with the province, which in imposing restraints paradoxically encourages requests for more of them. Good government cannot be secured by legislation, but only by providing means whereby the needs of the public can be determined, providing the machinery whereby those needs can be met efficiently, and ensuring that the public has effective control over those acting on its behalf. The emphasis should be the positive one of facilitating actions for the public good, not the negative approach of trying to prevent mistakes.

The municipalities must share the blame. Too often they have welcomed an excuse for saying a problem is not their responsibility, or of inviting provincial intervention so as not to have to act themselves when faced with new or difficult decisions. The result has been that in some instances the provincial government has to assume responsibilities which might be more appropriately local, yet when problems arise, it is criticized by the local municipalities that shirked responsibility in the first place.

### **The Province and Regional Policies**

The importance of provincial activities as part of the government of the Area has come up again and again during the Review. Most of the discussion in this chapter has been in terms of the legal, financial and administrative connection between the local government of the Area and the provincial government's departments, boards and agencies. One must look at these relationships as a whole to secure a greater consistency and a viable local government structure.

The other side of the province's activities — as a provider of services — has been described to some extent in the chapters on the specific services and has been touched on above. The local government structure, responsibility and finance cannot be considered separately from the province's supplying of services. In a province as large and diverse as Ontario, provincial activities are bound to be extensive. For many purposes the population density is just too low for local government to carry extensive responsibilities. If a service can not be performed adequately at the local level because of inappropriate areas of jurisdiction, inadequate or inappropriate sources of revenue, lack of expert staff and equipment, or the difficulty of reconciling conflicting local

interests, then the province has in many ways to assume a primary responsibility. This is amply evident in the Waterloo Area.

The province is the regional body for numerous services such as the Provincial Police's rural policing; the Department of Highways' co-ordination of planning, supervision of design and construction and maintenance of the Kitchener-Waterloo Expressway; in equalizing financial resources through grants; and in proposing the satellite development of the 3,000 acre Ontario Housing Corporation site. In each case it must be asked whether any form of local government, no matter how broad its jurisdictions and strong its resources, could exercise these responsibilities. In many cases the answer would be "no". Only if local governments were so large and powerful that there would be little left for the provincial government to do, could many problems of large scale planning and development be dealt with by local government.

While stronger local governments will make it possible to re-allocate some responsibilities from the provincial to the local level, the signs all point towards greater provincial activity in other regionally oriented respects. For example, provincial economic and physical plans on a regional basis are developing such as in the ten regional economic plans being prepared, in the Metropolitan Toronto Area Transportation Study, in the Ontario Water Resources Commission discussions for constructing pipelines, and not least in the Ontario Housing Corporation purchase of 3,000 acres for a "satellite community". All of these would have taken place no matter how local government in the Area had been organized. Even with a large scale "regional municipality", the necessarily limited scale of local government makes it inevitable that the province should in many respects act in such a way that many of its own activities are regionally oriented. Smaller local governments are less capable of tackling larger problems but are more sensitive to local needs, but for many purposes larger municipalities are more capable of striking a balance.

It is therefore necessary to consider which needs are best met locally, which provincially, and how joint areas of responsibility should be dealt with. Consideration of what communities of interest are, how strong they are, and to what extent and in what ways they conflict with other interests, is relevant here.

The need for better co-ordination at the provincial level, so as to secure an integration of provincial policies concerning local government

and particular areas, is obvious. Some progress in this direction is being made by making the Department of Treasury and Economics responsible for regional planning at the provincial level, although it is not yet possible to tell by actions how far its writ runs. There does not appear to be any comparable mandate given to the Department of Municipal Affairs to act as a clearing house and co-ordinator in evolving and applying a government policy on local government. Not least important in this respect is its rôle in expressing the view of local governments to other departments within the government.

### *Recommendations*

- 1) That the preparation and expression of provincial plans on a regional basis be given greater emphasis.
- 2) That the province develop more explicit and coherent policies on the rôle of local government as part of the total governmental structure of the province, and that the rôle of the Department of Municipal Affairs as the body responsible for the development and implementation of such a policy be strengthened. It should have primary responsibility for acting as a clearing house in local government legislation, as there are considerable variations in the principles and practices of different departments in drafting legislation and regulations and administering grants.



## CHAPTER TWENTY-THREE

### PROPOSED REORGANIZATION OF LOCAL GOVERNMENT

#### One Big City or No Change

With regard to reorganization of the structure of local government, the two most extreme changes proposed in some briefs — total amalgamation of all, or nearly all, the Review Area, or leaving the municipalities substantially as they are, can be ruled out on the basis of the extensive evidence in the earlier chapters. The diversity of the Area is too great for extensive amalgamation to be justified, quite apart from the additional costs. Nearly all the other municipalities made it clear that they could regard such a move as absorption by Kitchener, and were strongly opposed. The alternative of leaving the structure substantially alone is not feasible either, given the deficiencies of the smaller municipalities and the issues being raised by urbanization.

#### Alternative Proposal — Assumptions

Having examined a wide range of other factors relating to the effectiveness of local government and having made numerous recommendations on other matters, this Commission puts forward two alternative schemes for reorganizing municipal boundaries and reallocating responsibilities. These proposals are made assuming:

- a) that there will be a considerable reduction of the number of boards and commissions, the functions to be assumed by the respective municipalities with a consequent improvement in their political, administrative and financial capacity;
- b) that modifications will be made in the municipal grant formula so that there will be less incentive for planning by assessment;
- c) that municipal boundaries should recognize community identities and interests in common service;
- d) that there are some changes in the way provincial responsibilities are carried out, but that the province will continue to take a strong interest in matters of major concern, and provide some services of a regional nature;
- e) that the very small municipalities cannot continue to exist separately.

#### SCHEME A: A Reorganized City-County System

A "Reorganized City-County System" with three major municipalities, the county having five

local municipalities within it. See Map 7.

- a) City of Waterloo, formed by amalgamating Kitchener (105,661), Waterloo (33,644), Bridgeport (2,228) and adjoining parts of Waterloo Township (approximately 3,000) west of the Grand River, together with some areas east of the Grand along Highway 8 and adjoining Bridgeport. Population approximately 145,000. The City would be large enough to afford a full range of services, and would have sufficient room within it for development for many years. A council with a minimum of fifteen members elected on a ward basis, is proposed. An alternative name would be Kitchener-Waterloo, which has wide public usage.
- b) City of Galt, formed by amalgamating Galt (36,900), Preston (15,185), Hespeler (6,082), and parts of North Dumfries (approximately 1,000) and Waterloo Township (approximately 500) immediately adjoining so as to provide room for development for at least ten years. Population 60,000. A fifteen-man council is proposed to ensure representation of all the pre-existing municipalities elected on a ward basis.

The Cities would continue to have their present powers, with the authority of Council increased by the elimination of many boards and commissions.

The City boundaries should be extended to include all present suburban type development and also a sufficiently generous area that they can control their immediate hinterland and have assurance of elbow-room for growth. With the threat of imminent annexation and the more immediate pressures for development removed, the Townships could be in a better position to resist the temptations for and problems of urban growth.

- c) County of Waterloo composed of:
  1. Township of North Dumfries (2,900 estimated), Ayr (1,224), and part of Beverly Township (1,500). Population 5,600 with a seven-man council, elected on a ward basis.
  2. Township of Wilmot (6,858) including New Hamburg (2,816) and the easterly remainder of Waterloo Township (approximately 1,000). Population 10,700 with a nine-man council, elected on a ward basis.

3. Township of Wellesley (5,157) including the Village of Wellesley (810). Population 6,000 with a council of seven members, elected on a ward basis.

4. Town of Elmira — unchanged. Population 4,462. Some modest boundary extensions should be considered.

5. Township of Woolwich (6,142) including the easterly part of Waterloo Township (4,000) lying east of the Grand River and north of Preston. Population 11,000 with a nine-man council, elected on a ward basis.

The County would have a population of 37,000. A council of fourteen elected on a ward basis would mean approximately two representatives for each municipality except Wilmot and Woolwich, which would have four each. How this should be done is discussed in the chapter on Representation and Responsibility.

The County would be responsible for planning, major roads, fire, police, library, welfare, public health, the operation of local sewage disposal systems through an expanded County works department, area parks, licensing and inspection, education, and (ultimately) assessment. All other functions would remain at the Town or Township level. Specific suggestions regarding certain services have already been made in the chapters on those services.

The case for amalgamating Galt, Preston and Hespeler is strong. They are growing together physically and have many problems and some services in common. Both Hespeler and Preston are faced with the probability of considerable development once immediate servicing problems are overcome. It would seem best that these be solved on a common basis, particularly as the financial and administrative resources of Preston and Hespeler are necessarily limited and the impact of these developments upon Galt are inevitable and considerable.

While the interests and services of Kitchener and Waterloo are closely linked, the arguments for amalgamation are not as strong as for Preston and Hespeler, because of the relatively greater resources of Waterloo, and because the directions of its growth do not raise as difficult issues for the future pattern of development in the inter-city triangle discussed elsewhere.

There is considerable evidence of a strong feeling of community in Waterloo and a fear that Waterloo's needs will not be as carefully considered, if it is absorbed by the more aggressive City of Kitchener.

The quality of services in the present City of Waterloo is good, and the City is exceptionally well staffed. On balance the desirability of amalgamation to simplify the local government organization is more important.

In the case of New Hamburg, Ayr, and the Village of Wellesley, their capacity to provide services in the terms conceived as desirable in the Review is too limited in the present circumstances. Their particular interests should be protected by having representation on a ward basis, and by using the provision of the Municipal Act whereby additional tax rates can be levied on particular areas for certain services of local benefit.

Elmira is considered large enough to provide an adequate level of services to be able to justify a continued identity, particularly if a re-constituted County takes responsibility for services of wider concern. The low proportion of the population of Elmira that work in Kitchener-Waterloo in spite of their proximity indicates how it is a distinct community.

The balance of Waterloo Township is considered too small and fragmented, particularly when it is in the path of possible urban development, to continue to exist as a separate municipality. It is badly split by the Cities, and the fragments are best served by joining them to the adjoining Townships. The largest and most important part is that east of the Grand River which is joined to Woolwich Township. As can be seen from Map 4 it is important that development in this area be restrained until basic decisions can be made as to the nature of growth contiguous to the Cities, large scale sewerage facilities, the location of future highways in the inter-city area, and the pattern of future development of the triangle particularly the future use of the Ontario Housing Corporation site. These are decisions of major consequence, involving both the municipalities and the Province. This "freezing" is more likely to happen if it is the responsibility of a predominantly rural municipality than if it is added to any one of the City neighbours, who have conflicting views on the development of those parts of the triangle adjoining them.

This scheme takes into account the need for positive policies on development in rural areas. By extending the City boundaries it provides room for their legitimate aspirations for some time to come. By placing the obligation to plan at the County level, which is strong enough to have the capacity, it provides a means to control further



development, particularly in the area east of the Grand River, until the time is ripe.

It would not preclude the development of a satellite community or regional centre. Such a development should be decided by the provincial government in consultation with the five major municipalities,<sup>1</sup> existing and proposed, that would be affected and should be the direct responsibility of a special provincial agency with the powers of a developer and also the powers of a municipality exercised through its being designated an Improvement District.

This scheme would reduce the number of municipalities with major responsibilities to three (two Cities and a County) from sixteen, which would greatly simplify problems of provincial-municipal relations and increase the possibility of joint action and co-operation at the local level.

The County Boundaries have not been changed except for part of Beverly Township, where there is strong evidence that its interests are oriented towards Galt (as can be seen in Table 3-10). The Report of the Hamilton-Wentworth-Burlington Local Government Review suggested that this possibility should be considered if sufficient evidence of common interest could be found.

The area of the County remaining is greatly reduced in population, although not in area, the net loss being approximately 23,000 population. This would still leave a fairly wealthy homogeneous and compact County. On the whole the County boundaries are logical in that they run through areas where the influence of the two urban complexes and the competing interests of the neighbouring urban centres are least strong.

A case can be made for extending the boundaries in several directions to give better recognition of the limits of the Waterloo region. At a minimum it is suggested to add:

- a) parts of Puslinch and, South Dumfries and Blenheim Townships to North Dumfries — approximate additional population 2,500;
- b) parts of North and South Easthope Townships to Wilmot Township — approximate additional population 1,000;
- c) part of Peel Township to Woolwich Township, with a population of about 1,000.

In each case these are areas from which children go to school in the Review Area and which have other ties as well. Information was least extensive regarding the area to the north of Waterloo County.

These additions would bring the County population to 41,500. Further additions could be justified, but the determinant in changing the County boundary must be the consequences for the other counties, none of which are very large (and which in the case of Brant and Wellington Counties are also engaged in local government reviews). Changes of these magnitudes are dependent on the formulation of general policies on local government in rural areas by the province, including amalgamating and/or redrawing the boundaries of Counties and local municipalities, envisaged in the government's statement on local government reform of December 1968.

This scheme could be changed to the alternative proposal at a future date.

### **SCHEME B: A Regional Government**

A "Regional Government" comprising a regional municipality and seven local municipalities. See Map 6.

- a) City of Waterloo — the present municipality with some annexations from Waterloo Township. Population 35,000, approximately.
- b) City of Kitchener including the Village of Bridgeport and parts of Waterloo Township as described in Scheme A. Population 109,000.
- c) City of Galt, as described in Scheme A, population 60,000.
- d) Township of North Dumfries, as described in Scheme A. Population 5,600 increasing to 7,800 if parts of Blenheim, South Dumfries and Puslinch Township were added.
- e) Township of Wilmot as described in Scheme A. Population 10,700, increasing to 11,700 if parts of North and South Easthope Townships were added.
- f) Township of Wellesley, as described in Scheme A. Population 5,967.
- g) Town of Elmira, population 4,462.
- h) Township of Woolwich, as described in Scheme A. Population 10,000 increasing to 10,500 if part of Peel Township was added.

In so far as the regional municipality would be responsible for over-all services, the case for amalgamation of Kitchener and Waterloo at this time is weakened; it is therefore recommended that they continue as separate municipalities.

If representation were based strictly on representation by population, on the basis of one council member for each 10,000 population the results would be roughly as follows (in so far as

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<sup>1</sup>The Cities of Galt, Waterloo, Guelph and the Counties of Waterloo and Wellington.



the wards for representation on the regional boundaries correspond to municipalities, and allowing some over-representation of the rural areas):

Waterloo	3½
Kitchener	11
Galt	6
North Dumfries	½
Wilmot	1
Wellesley	½
Elmira	½
Woolwich	1
	<hr/>
	24

Where a half is shown it indicates that a ward boundary would include more than one municipality.

If representation was on the basis of one councillor for each 12,000 urban population and 6,000 rural population — a much greater variation than exists at the provincial level — the results could be as follows:

Waterloo	3
Kitchener	9
Galt	5
North Dumfries	1
Wilmot	2
Wellesley	1
Elmira	1
Woolwich	2
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In ten years' time, if population grew at the same rate and were distributed in the same manner as in the period 1961-66, the results would be as follows, using double the rates of population change from Table 3-2, to allow for the ten-year period:

	1969 Population	Represent- ation	1979 Population	Represent- ation
Waterloo	35,000	3½	72,000	7
Kitchener	109,000	11	163,000	16½
Galt	60,000	6	80,000	8
North Dumfries	5,600	½	6,400	½
Wilmot	10,700	1	12,500	1
Wellesley	6,000	½	6,500	½
Elmira	4,500	½	6,000	1
Woolwich	10,000	1	14,000	1½
		<hr/>		<hr/>
		24		36

These projections are very crude, as can be seen by the rapid rate of growth projected for Waterloo and the slow rate of growth for Galt.<sup>1</sup>

As the greatest part of the population increase is in the urban areas, the need for periodic changes in representation is obvious, as is the growing voice of the cities.

The Regional municipality would be responsible for assessment, planning with an obligation to consult the local municipalities on matters of local concern, licensing and inspection, water supply and treatment, sewage treatment plants and trunk mains, major roads, regional parks, education, health and welfare. Representation on the Conservation Authority and similar area-wide special purpose bodies shall be determined by the Regional municipality. For certain services such as licensing and libraries, responsibility may be delegated to the Cities and their share of the Regional tax levy reduced.

One obvious result of the regional municipality would be that the rural voice would be relatively weak. The council would have to be doubled in size and representation grossly distorted if the inhabitants of the rural areas and small urban centres are to have a significant voice.

One reason for establishing a regional municipality is to assume services of regional or common concern, and to provide a more equitable distribution of financial resources, so that regional problems can be solved. Unless the regional municipality is given access to sources of revenue which will produce more money and which are more appropriate for financing, social and environmental services than the real property tax, establishing a regional municipality in the Waterloo Area does not seem worth the trouble of adding a fourth level of government for the urban areas. This is particularly so if the regional municipality is conceived as having significant responsibilities in the area of economic and regional planning.

### Recommended Structure

Of the two schemes proposed, the reorganized city-county system is recommended.

The strength of the interest in common between urban and rural areas and between the two urban complexes does not seem strong enough to warrant one government for the whole Area at this time. Whether conditions will have changed sufficiently in twenty years' time to warrant a metropolitan or regional concept, it is impossible to tell. However, changes in the rela-

<sup>1</sup>Another set of figures is contained in Table 3-5 but these cannot be easily reconciled with those for the present or proposed municipal boundaries.

tionship of Guelph and large parts of Wellington County to the Waterloo and Toronto Metropolitan Areas will probably warrant a further review in any case.

Historically the combination of urban and rural in this county (or in Ontario generally) has not been a happy one, and the urban centres have become separately incorporated, or separated from the county as soon as possible. While the urban areas might be more willing to be joined with the rural areas today so that they would have more control over the surrounding areas, it is not clear how far they are willing to go in paying for services to rural areas. What is clear is that the rural areas would be dominated by the urban centres, and that this domination would increase.

The differences between urban and rural are still significant in this area. This is *not* a metropolitan area faced with major problems of over-spill and weak rural government, as in the other local government reviews. If the city boundaries are extended somewhat, and if the rural municipalities are willing to restrict growth and to provide more urban type services, then the number of services in which the urban and rural areas will have common interests will be greatly reduced. Some of the remaining problems can be met by co-operative action or by the purchase of specific services such as access to the hospitals and health services.

At present the major supplier of regional services is the provincial government itself. If it were likely to reduce its activities in the Area substantially and to transfer responsibilities and sources of taxation to the regional municipality, then the case for the regional municipality would be more attractive. The chances of this happening on a significant scale are remote. While there have been some hints along these lines, no provisions of this kind have been made for the other newly formed regional municipalities; and it is perhaps too much to expect the province — more particularly the civil servants — to change their conception of the province's rôle and surrender responsibilities. In any case, in a province as diverse as Ontario, and with a not very large population, not only would substantial transfers of function raise questions as to the continuing viability of a strong provincial government, but the local diversity is so great that the province must continue to be active at the local level in providing major services.

As was discussed in Chapter 21, the "regional municipality" would probably mean higher costs,

although there would be corresponding improvements in the quality of services.

While at first glance the regional government scheme would simplify provincial-local relations by giving the province only one strong municipality to deal with, whether this would happen or not is doubtful. The Commission's view is that the extent of the province's involvement in particular problems, especially those of the Cities, will continue to be such that provincial-local relations would only be complicated by its having to deal with both a regional and one or more major local governments on the same issue. The reorganized City-County system would allow for greater local diversity and a simpler division of responsibilities between local government and the province.

In summary, while there are considerable problems because of urban growth, the numbers are not so great nor the deficiency of the rural areas so large that the drastic reforms seem necessary. The solutions devised for the other local government review areas are too drastic for the more limited problems of the Waterloo Area. Instead it is suggested that many of the problems of local government in the Area cannot be resolved without changes in the pattern of provincial activities and the provincial attitude towards local government.

It is inherent in these reorganizations that the rural municipalities should take a more restrictive view of urban type development, otherwise the problems occasioning this Review will re-occur in more intractable forms and the urban centres will have to have a stronger say in what happens in the surrounding rural areas.

Under the "Reorganized City-County" scheme, this say is exercised through the Provincial Government. The "Regional Municipality" proposal gives the Cities a controlling voice in rural development through their voting strength on the regional council.

The main problems in the Review Area are those of development and the consequent need to view the problems of land use for the Area as a whole. These are problems of the two urban areas and their immediately adjacent land, plus the critical triangle area north of Preston around Breslau. While the Area has a complex pattern of settlement, it is not so large in size or in population as to require an elaborate two-tier structure of a metropolitan area, unless perhaps because of its complexity. The real issue, then, is whether enough progress can be made to simplify the complexities, so that in conjunction with pro-

vincial involvement and leadership the problems can be resolved without introducing new complexities.

### **Transitional Arrangements**

#### *Recommendations*

- 1) The new council should take office at least six months before the changes in boundaries take effect, so that the transition will be smooth and senior staff appointed.
- 2) Existing staff should be guaranteed that they will continue to be employed for at least one year for senior administrative staff and for lesser periods for other staff, and that (all other

things being equal) they should have preference for new positions. The province should underwrite the cost of this provision, as the changes are being made on provincial initiatives.

- 3) The municipalities and local boards affected by the implementation of any of these proposals, should establish liaison committees at the elected representative and official level to collect information, make transitional arrangements, and decide on matters of change not otherwise covered such as ward boundaries, arrangements for staff, and determination and transfer of assets and liabilities.



## CHAPTER TWENTY-FOUR

### SUMMARY

Many of the problems of local government in the Area can be accounted for by changing circumstances in society today. It is now apparent that many of the attempts to meet new problems in old forms and old problems in new forms have been conceived on too limited a basis. This is not surprising, given the complexities of local government, of provincial-local relations and of the limitation imposed on governments by what changes the public is willing to accept.

A wide variety of changes are proposed in this Report, only some of which are related to the organization of government and the distribution of responsibilities. Many of the proposed changes in law, finance, the rôle of special purpose bodies, administrative capacity, and attitudes, if accepted will take time to implement, particularly as they raise issues concerning much more than local government in Waterloo County.

In none of the regional government changes implemented to date have there been any significant redrafting of legislation or changes in grant regulations and administrative procedures, yet such changes are important if local governments are to be a vital expression of local wishes and not just a convenient local agent for carrying out the decisions of the provincial government. Such changes will involve literally hundreds of pieces of legislation and financial calculations, and all government departments.

In reorganizing local government in the Area, a basic concern should be to ensure that the local political institutions have the capacity to respond to the needs of their communities and the ability to carry out their responsibilities. To achieve these ends, it is necessary to ensure that a more representative system of government is achieved and that it be so established that it has the ability to change as the needs of the community change.

Certain of the changes in local government organization and structure that are proposed it is believed will meet many of the current problems.

It is hoped that the recommendations made in this Report will be compatible with and even relevant to the pattern of local government in most parts of the province outside of the large cities and metropolitan areas, where the effects of urban development on the surrounding area are not only greater but also cover much larger areas.

Of the recommended forms of reorganization proposed, the regional municipality is the closest to the policy proposed by the government in *Design for Development Stage II* in December, 1968. No single criterion of those proposed in *Design for Development* is pursued to the exclusion of the others. Both schemes envisage considerable changes in the nature of provincial involvement in local matters.

If local government in the Area is to be made more effective, more capable of changing to meet not only the many new demands that are being made on it now, but also those arising in the future from the increasing complexity, change and expansion of modern urban societies, it is necessary to do more than just re-draw boundaries and re-shuffle responsibilities for certain functions. Unfortunately in most of the discussion of "regional government", both in the briefs and elsewhere, those two aspects have had most of the attention. However, experience with annexation procedures and the extensive changes in responsibilities for services in the last ten years shows that these approaches do not make for long-run solutions in themselves. It is necessary to go beyond areas and powers and look for reforms in a wider context, including changes in finance and taxation, provincial-local relations, the internal administration of local governments, and even the internal organization and operations of the provincial government.

While the major changes in municipal boundaries and organization and in the respective responsibilities of the proposed new municipal organization recommended will meet many of the problems, they are open to the same inadequacies as the preceeding arrangements. They cannot be fixed for all time: the division of responsibilities for services will be subject to change in the light of experience and new developments, so that municipal boundaries and even the continued existence of certain municipalities will have to be reviewed periodically, although hopefully not for at least ten years.

For any long-term solution, progress must be made in three directions:

- 1) the clearer expression of provincial policies on local government and their rôle in the government of Ontario.
- 2) the development of more explicit provincial policies on urbanization

3) the municipalities' viewing and reviewing responsibilities in a broader context, showing greater willingness to undertake responsibilities in recognition of the changing needs of their citizens.

Not all local government is urban, nor does the impact of urbanization affect all local government. The two are, however, interwoven, as has been shown in the description of such activities as planning. The final decisions as to how important local government is to be, how much freedom it is to have in meeting local needs, what the respective responsibilities of and operating relations between the province and of local governments are to be, must be made by the province. Some of the decisions are formal and explicit, but as in many other things, policies must be judged by both words and actions. It is the attitude with which the province approaches local government and the issues raised by urbanization that is of fundamental importance.

One statement of official policy on local government that seems appropriate was made by Prime Minister Frost:

"Local government is predicated on the theory that people in a community are not only likely to, but do know more about their requirements than anybody else. Is it to be presumed that provincial administration or provincial Ministers, now, or in the future, are possessed of some mystic quality which enable them to know what people in the community want better than do the people themselves? It seems to me I have heard argument about that theory before. We are living under a democratic system. Basically that means government according to the wishes of those governed. Can this be achieved if local government is subject to the interference of another government above? I think not. I think the true answer to our problems is an informed and vigilant electorate, the elected representatives of which represent their point of view . . .

Let us refer very briefly to the greatly strengthened and widened organization of the Department of Municipal Affairs. The purpose of this organization is not to usurp the powers of the municipalities; is not for the purposes of centralization. It is for the purposes of providing a Government Department with its ancillary organization which will be more capable of helping and advising the municipalities. It will be a Department which in fact is a friend to which municipalities can turn for advice; rather than tending to centralization

the process will be one of decentralizing whenever possible and eliminating some processes which may have been irritating over the years"<sup>1</sup>

The province has the power over, and responsibility for, local government. Unless it uses its powers with care, it will kill local initiative, not by intention, but by so eroding its capacity to act that it will no longer be meaningful to the local community.

With regard to the municipalities, it is not difficult to find reasons why they have been unable or unwilling to take on new responsibilities. Too often they have taken the line that there are no problems and that everything is under control, of "I'm all right Jack", without thinking of the larger context. There are the problems of subordinate constitutional status, a complex and often unsympathetic body of law, inadequate and inappropriate sources of revenue, inappropriate boundaries, and a fragmentation of responsibilities. Some of the deficiencies can be explained by the accumulation of inhibitions resulting in growing incapacity to assume responsibilities, to make decisions and to see the needs of the community and its citizens in a broad setting. The question remains, are these adequate explanations of why local government has failed to meet the challenges of growth and change in the Waterloo Area?

Both the people of the Waterloo Area and their municipalities and the local boards must ask themselves whether they have not excessively concerned themselves with their own particular area or service and with keeping taxes down, and have been inadequately aware of broader individual and community needs.

The final decision as to the future form of local government in the Area rests as much with the people of the Area and their local elected representatives as with the provincial government.

Fundamental decisions must be made on the basis of how the needs of the local communities and their citizens can best be met within the framework of area, regional and provincial problems and policies.

Larger units and a more complex formal structure will tend to place more emphasis on efficiency as conceived in terms of functions, rather than in terms of the needs of particular people and places. The final recommendation for two cities plus a modified county is based on a conviction that at the local level the capacity to

<sup>1</sup>1960, Address to the Association of Ontario Mayors and Reeves.



appraise needs and make decisions will be best advanced by a simple organization and units that are as homogeneous as possible. Larger aspects, and those needs which require solutions using large resources, will be best met through the provincial government either establishing policy, co-ordinating and assisting local activities or providing services directly.

Many of the problems arise from the provincial government's having to be organized largely along functional lines; this has resulted in local government organizations being increasingly oriented towards the need as conceived by provincial departments, and less towards a conception of the needs of the local community conceived in the round rather than as a collection of services.

The result has been that local government is failing to set priorities, make decisions and allocate taxes to the best overall advantage. Are the decisions which have literally resulted in broadloom in the schools and pollution in the rivers the result of a rational system of priorities?

In the long run, the success of either of the proposed schemes and the validity of many of the other recommendations will depend on the degree to which the province is able and willing to re-orient its thinking about local government, and on whether the local governments are willing and able to take a broader view of their responsibilities and how to meet them.

While it will be important to change boundaries and re-allocate responsibilities, the true route to effective local self-government must be in the ability to recognize and the will to meet broad responsibilities.

The net effect of the changes in provincial-local relations recommended would be to remove from the province responsibility for and involvement in a great number of matters of detail which are at best of secondary importance to the province. The responsibility of the province will be made more evident to formulate and implement policies on matters of general concern, including those affecting the viability of local government and to assist, co-ordinate, persuade and if necessary in some cases coerce or over-rule local governments in matters of concern to more than local communities. The capacity of the local community to act responsibly in its own behalf will be strengthened.

The major problems facing society today relate to the quality of life. These cannot be resolved by the action of senior governments alone. The problems of pollution, housing, traffic, peace, order and good government require effective government at all levels for their solution.



# APPENDICES



## APPENDIX A

### NOTES ON LOCAL PARTICIPATION IN THE REVIEW

(These were given wide distribution in 1967)

These excerpts from the Data Book of Basic Information are set down in this specially prepared booklet in order to draw particular attention to the importance of local participation and to underline the suggestions made in respect of the questions to be considered in briefs. Those preparing briefs for presentation to the Commission are invited to examine the Data Book and interpret for themselves the impact of the information contained in it. Any inquiries or requests for the Data Book should be directed to the Secretary.

#### How the Review Began

The Province of Ontario has instituted a programme of local government reviews in various regions of the Province and studies have been completed for the Ottawa-Carleton, Niagara and Peel-Halton areas and reports published. Other reviews are currently underway for the Lakehead, Brant-Brantford and Muskoka.

In May and June of 1966, representatives of the Cities of Galt, Kitchener and Waterloo and the County of Waterloo met to discuss the desirability of a review of the structure of the local government in the area. The suggestion for review was prompted by the growing pressures raised largely by urbanization. The problems associated with such things as control of urban-type development in what were rural areas, water supply, sewage disposal, industrial development, traffic, housing, urban renewal, police, fire protection, education, assessment, industrial development and finances and taxation are causing local government to change its traditional pattern of services and raising questions as to whether to meet these changing needs, the structure of local government itself should not be changed.

In August 1966, the local study committee, recommended that a study be undertaken, the cost to be divided equally between the Department of Municipal Affairs and the sponsoring municipalities. In response to a formal request by the three Cities and the County, the Minister of Municipal Affairs, the Honourable W. J. Spooner established the Waterloo Area Local Government Review under Section 17a of the Department of Municipal Affairs Act on November 3, 1966, and appointed Ron M. Farrow as Resident Research Director. The appointment of

the Special Commissioner, Stewart Fyfe, was announced on May 4, 1967.

The basic question before the Review is: Can the present organization and structure of local government provide the kind and quality of services which the residents of the area expect, or are likely to require in the foreseeable future, and if not, how should it be changed so that the problems of providing local government services in the area can be better resolved?

#### Preparation of Submissions

The purpose of the review may be summarized as an examination of the structure and functioning of local government in the study area, to be followed by recommendations as to how it may be improved.

The success of the review will depend in large part on the people of the Area. They are in the best position to know the deficiencies, if any, of the existing arrangements and to suggest what alternative arrangements would be suitable and acceptable, given the particular characteristics and foreseeable development of the area.

The preparation and publication of the Data Book is the first step in the review procedure: it is a factual description of the existing state of local government in the area.

The second step will be the holding of public hearings in various parts of the area at which written and oral submissions will be received. After consideration of the information collected, and the points of view expressed, the Commission will offer its opinion, in the form of a Report, about those improvements and reforms which might be applied to the structure and organization of local government. In developing this opinion, it is hoped to have the views and ideas of those who live in the area. Anyone wishing to take part in the hearings is invited to contact the Secretary of the Commission.

#### Procedure

As most municipalities are holding elections this December, it seems inadvisable to hold public hearings this year. It is therefore planned to commence hearings in January, 1968. The interval between the publication of the Data Book and the public hearings will be used for considering



briefs received and collecting further information about the area.

Any person or organization with views relevant to the terms of reference is welcome to make representations both in writing and at the public hearings, at which time there will be an opportunity to discuss their views. Anyone who wishes to be scheduled to appear should inform the Secretary. To assist in preparing submissions, additional information not included in the Data Book, documents and copies of briefs filed may be examined at the Commission's office. Copies of certain major reports and briefs may also be examined by the public at municipal offices in the area.

Written briefs should be filed with the Secretary by October 31st, 1967. In the case of municipalities and other major briefs it is hoped that thirty copies of briefs will be sent to the Commission's office, which will then send copies to all municipal offices in the study area. In no case should less than two copies be filed. Briefs of any length should be prefaced by a short summary of the contents.

#### **Questions To Be Considered In the Briefs**

The organization and functioning of local government is extremely complicated, even in as relatively limited an area as that subject to this review. The terms of reference of the Commission are very broad. The matters discussed below are set out for the guidance of those preparing submissions on matters which, at this point, seem of particular concern and on which the view of those concerned with local government in the area are especially sought. It is hoped that by setting out some of the considerations which must be taken into account in preparing the Report and referring to some of the more obvious alternatives that might be recommended, local participation will be stimulated and some focus given to submissions. Not all those making submissions will be equally interested in all aspects of the study but it is hoped that they will comment on the aspects for which they have responsibility or particular knowledge.

For ease of reference, the matters dealt with below are set out in point form.

1. The first question to be asked might be summarized as, "Why was the Review requested?"
- (a) In what ways is the present structure of local government in the area not providing services as effectively as might be done?

- (b) In what ways is the present structure of local government in the area not likely to be able to meet foreseeable future needs for services in view of probable developments?
- (c) What are the reasons for these defects or inadequacies?
  2. What foreseeable developments are likely to so change the character of the area that changes in local government will be necessary or desirable?
  3. With regard to deficiencies, there are two broad schools of thought. One believes that the present arrangements are fundamentally sound, and with minor improvements, can be made to work better. The other extreme is the view that the inadequacies of the present arrangements are so great that only a fundamental reorganization can remedy the difficulties. Apart from one's definition of "minor" and "fundamental", in anything as complicated as local government there is obviously room for a great variety of possible solutions lying between these two extremes.
  4. In proposing solutions of either school it is desirable but not essential that any changes should be in a form applicable in other areas, because the Province has to see for the sake of uniformity that there are not too many exceptions to the general municipal legislation (although there must obviously be flexibility within the general statutes and grant regulations).
  5. A number of recent reports have proposed various kinds of change in local government in Ontario with regard to structure, functions, finance, inter-municipal and Provincial-municipal relations. Some of these proposals should be considered as possible solutions to problems of the review area. The views of interested parties are particularly sought on:
    - (a) the recommendations of the Select Committee on Municipal Law and other Related Acts as in its Fourth Report (the Beckett Report) with regard to
      - i) regional government
      - ii) various other matters, e.g., representation on county council, boards and commissions, and administration of justice.
    - (b) the recommendations in
      - i) the Ottawa, Eastview and Carleton Local Government Review.
      - ii) the Niagara Region Local Government Review, particularly those proposing two-tier

- governments with the cities and counties being in one body.
- iii) the proposal in the Peel-Halton Local Government Review of one large municipality.
  - (c) the possible solutions proposed in the "Alternatives for Local Government in the Lakehead" prepared for the Lakehead Local Government Review.
6. If there are to be changes in local government areas, two obvious, but not necessarily mutually exclusive approaches are boundary changes, and a new form of area government in which the cities become part of a two-tier system, comparable to the present counties consisting of towns, villages, townships.
  7. If there are to be boundary adjustments by annexation or amalgamation for particular municipalities, what should they be, and why?
  8. If all the municipalities in the area are to be combined in a two-tier system with one overall municipality for certain common purposes —
    - (a) What should the basis of representation on the area council be?
    - (b) Should all area services be financed by an area tax rate, or should there be differential taxation?
    - (c) Which services should be local and which area responsibilities?
    - (d) What, if any, combination of existing municipalities would be desirable?
  9. Changes in boundary or structure must take into account not only circumstances at present existing, but also those changes which may take place and affect the structure of local government. At the same time any boundary must be recognized as a compromise, often arbitrary, and liable to become outdated as circumstances change.
  10. The effectiveness of any local government organization must be assessed with regard, among other things, to the extent to which the size and distribution of population and financial resources and the boundaries of administration of the various local services provide adequate resources and allow adequate scope for the efficient and economical discharge, for suitable areas, of all the functions for which the local authorities concerned are responsible.
  11. In assessing the convenience of the local government organization, at present or in any re-organization of local government in the study area, regard must be had for the number, size (in terms of both area and population), shape and boundaries of the local government in the area, communications within and between them, and the way in which communication facilities (public and private transportation, telephone etc.) may affect the administration of local services, and the access of council members and the general public to their local administrative centres.
  12. In changing boundaries and/or the structure of local government the following factors (stated in alphabetical order) are relevant:
    - (a) community of interest — how much have the inhabitants of various areas in common with one another in terms of social, economic and cultural relations, as well as common use of various services?
    - (b) development and expected development
    - (c) economic and industrial characteristics
    - (d) financial resources measured in relation to need
    - (e) physical features, including suitable boundaries, means of communication and accessibility to administrative, business and social centres
    - (f) population — size, distribution and characteristics
    - (g) record of administration of the local authorities concerned and their financial position
    - (h) size and shape of the areas of local government
    - (i) wishes of the inhabitants
  13.
    - (a) In what directions is future physical development likely to take place, and of what character (residential, industrial etc.)?
    - (b) Are there significant physical barriers to development?
    - (c) Into what areas can sewage, water and other services be most easily extended?
  14. What is the nature of relationships with areas outside the County boundaries and how are those relationships changing?
  15. Are there changes in the organization of local government within the area which would increase its effectiveness in terms of either the composition, organization and functioning of council, or with regard to inter- or intra-municipal boards and commissions?
  16. The terms of reference refer to "the effect of present and anticipated future projects and operations of the national and provin-

cial governments upon the responsibilities and resources of local government". In what ways might provincial, (or national) policies, activities, responsibilities, and grant formulae, be modified to make local government in the area more effective?

To many of the points raised above there are no simple answers and various individuals and organizations will be more interested in and more knowledgeable about some aspects than others.



## APPENDIX B

### LIST OF BRIEFS RECEIVED BY THE WATERLOO AREA LOCAL GOVERNMENT REVIEW

#### Municipalities

##### Counties:

County of Waterloo  
County of Wellington  
County of Brant

##### Cities:

Galt  
Kitchener  
Waterloo  
Guelph

##### Towns:

Elmira  
Hespeler  
New Hamburg  
Preston

##### Villages:

Ayr  
Bridgeport  
Wellesley  
Baden (Police Village)

##### Townships:

North Dumfries  
Waterloo  
Wellesley  
Wilmot  
Woolwich  
Eramosa  
Guelph  
Nichol  
Puslinch  
South Dumfries

#### Local Boards and Commissions

- Children's Aid Society
- Galt Public Utilities Commission
- Grand River Conservation Authority
- Hespeler Hydro-Electric Commission
- Hespeler Planning Board
- Kitchener Planning Board
- Kitchener Public Utilities Commission
- Kitchener Water Commission
- K-W Hospital Commission
- Local Board of Health for Kitchener
- Ontario Municipal Electric Association
- Waterloo City Planning Board
- Waterloo Community Services Board
- Waterloo County Area Planning Board

- Waterloo County Emergency Measures Organization
- Waterloo County Health Unit
- Waterloo Public Utilities Commission
- Waterloo-Wellington Airport

#### School Boards and Other Educational Bodies

- Board of the Mid Western Regional Library System
- Galt Board of Education
- Kitchener & District Public School Board
- Kitchener and Waterloo High School Board
- New Hamburg Public School Board
- North Dumfries High School Board
- Preston Board of Education
- Twp. School Area of North Dumfries
- Twp. of Wilmot Public School Board
- Waterloo County Interim School Organization Committee
- Waterloo Public Library Board
- Waterloo Public School Board
- University of Waterloo —  
Some Members of the Faculty

#### Separate Schools

- Galt Board of the Combined R.C. Separate Schools
- Kitchener Separate School Board
- Preston Separate School Board

#### Associations and Organizations

- Chalon Estates
- Committee of Residents Part of Beverly Township
- The Family Service Bureau of S. Waterloo
- Inter-Community Co-ordination Committee (New Hamburg - Baden)
- Kitchener Chamber of Commerce
- Kitchener Downtown Business Association
- K-W Family Service Bureau
- Midwestern Ontario Regional Development Council
- Municipal and County Treasurers and the Interim School Organization
- Ontario Firefighters Association
- Ontario Teachers' Federation
- Petition by the Ratepayers of the Township of N. Dumfries
- Rockway Mennonite Church
- Social Planning Council

- Urban Development Institute (Ont. Div.)  
K-W Chapter
- V.O.N. North & South Waterloo Branches
- Waterloo Chamber of Commerce
- Waterloo Federation of Agriculture

#### **Personnel**

- Mr. J. M. Dyke
- Messrs. Forrest, Smith, Thomson
- Mr. R. Honsberger
- Chief E. Johnston
- Mr. Fred Losee
- Mr. L. Minshall
- Mr. N. Pearson
- Mr. S. Rodd
- Mr. W. Roedding
- Mr. H. J. Schmidt

- Dr. S. H. Shortreed
- Mr. H. Smith
- Mr. A. W. Taylor
- Mr. G. Thompson
- Mr. F. W. Voisin
- Mr. W. G. Woods
- Mr. G. Wright

#### **Students**

- Messrs. P. Atcheson & B. Wretham
- Mr. D. Farley
- Mr. R. Jones
- Mr. P. Jurand
- Mr. R. Lachance
- Mr. J. R. Nephew
- Mr. R. Simpson
- Messrs. G. Wright & R. Matsushita

## APPENDIX C

### LIST OF STUDIES AND REPORTS BY CLASSIFICATION — WATERLOO AREA, 1960 - 1968

YEAR	TITLE
TRAFFIC & TRANSPORTATION	
1961	Major Street & Traffic Plan — Kitchener-Waterloo 1960-1968
1963	Report on Waterloo-Wellington Airport Development
1964	Functional Report — K-W Area Expressway System
1965	County of Waterloo Road Needs Study
1967	City of Galt Traffic Planning Report 1965-1985
1967	Kitchener-Waterloo Urban Traffic Study
1967	Town of Preston Traffic Planning Report — 1965-1985
1967	Township of Waterloo Road Programming Study
CONSERVATION, PARK & RECREATION:	
1953	Speed River
1954	Preliminary Report Laurel Creek
1954	Grand Valley Conservation Report, 1954
1959	Laurel Creek — Flood Control Measures
1959	Major Conservation & Recreation Study — Grand River through Waterloo Township
1960	Laurel Creek — Proposed Reservoir
1962	Parks & Recreation (Area Research Committee)
1964	Benefit, Cost Analysis, Ayr & West Montrose Reservoir
1964	General Report on West Montrose & Ayr Reservoir
1964	Grand River Conservation Lands Study
1965	Speed River Basin — Report on Flood Control & Water Conservation, June 1965
1965	Hydraulic Study — Laurel Creek Reservoir
1966	Brief on Flood Control & Water Conservation for the Grand River Watershed
1967	Preliminary Engineering Report — Galt Creek
SERVICES:	
1956	A Comprehensive Sewerage & Sewage Treatment Plan for Kitchener
1956	A Study of Water Supply & Distribution Systems — City of Kitchener
1958	Village of Ayr — Report on Sewerage System & Water Distribution System
1958	Report on Sewerage Treatment, Water Supply & Distribution — Police Village of St. Jacobs
1960	Report on Sewerage, Sewage Disposal, Water Supply — Police Village of Baden
1962	Village of Ayr — Preliminary Report — Water Supply & Distribution System
1962	Report — North Elmira Sewerage System
1963	Report on Sewerage System north of C.N.R. — Village of New Hamburg
1963	Sanitary Sewerage System — Village of Bridgeport
1964	Present & Future Sewage Treatment Needs — City of Waterloo
1964	Town of Hespeler — Report on Collection & Treatment of Sanitary Sewage
1964	Report on Waterworks System for the Town of Hespeler
1965	Report on Storm Drainage in north Section — Town of Elmira
1965	Report on Storm Drainage south west Section — Town of Elmira
1966	Middle Grand River Region — Water Supply Study
1966	Water Resources Survey of the County of Waterloo
1966	Report on Storm & Sanitary Sewers in Downtown Planning Area — City of Kitchener
1967	Report on Water Supply Study for Middle Grand River Area
1967	Waterworks Report
1967	Town of Preston — Industrial Wastes Survey
1967	Bridgeport Annexation Extension of Municipal Services
1967	Functional Design Report for Sewage Treatment Facilities — Police Village of Baden



- 1968 East Annexation Sanitary Sewerage Study — City of Kitchener
- 1968 Report on South End Trunk Sewer — Town of Elmira
- 1968 Village of Ayr — Proposed Water Supply System

#### POPULATION AND COMMUTING

- 1962 Population — Report No. 1 (Midwestern Ontario Development Association study)
- 1962 Commuting in Waterloo County (Area Research Committee)
- 1963 Population (Area Research Committee)

#### LAND USE, AGRICULTURE AND URBAN GROWTH

- 1961 Urban Growth Areas — The Kitchener-Waterloo & Suburban Area
- 1962 Land Use & Agriculture — Report 2 (Midwestern Ontario Development Association study)
- 1962 Forest Resources — Report 3 (Midwestern Ontario Development Association study)
- 1962 Urban Growth (Area Research Committee)
- 1965 Waterloo Civic Square
- 1965 Town of Preston — Report on the Need & Demand for Ontario Housing
- 1966 Needs & Demands for Ontario Housing — City of Kitchener
- 1966 Town of Preston — Report on Growth Potential & Land Need
- 1966 Township of Waterloo — Report of the Committee re Annexation Applications, Kitchener, Waterloo, Preston, Hespeler, Bridgeport
- 1967 Town of Preston — Proposed Annexation
- 1967 Survey of Need & Effective Demand for Ontario Housing — Town of Preston
- 1968 Analysis of the Kitchener Housing Market

#### SCHOOLS AND EDUCATION:

- 1962 Education (Area Research Committee)
- 1967 City of Waterloo — Report on Present & Future Elementary School Enrolments

#### BUSINESS, INDUSTRY AND FINANCE

- 1961 Business, Industry & Employment (Area Research Committee)
- 1962 Municipal Finance (Area Research Committee)
- 1963 Industry & Manufacturing — Report 4 (Midwestern Ontario Development Association study)
- 1964 Programme of Capital Works Projects for Town of Elmira

#### URBAN RENEWAL

- 1964 Downtown Kitchener — Economic Analysis for Redevelopment Planning
- 1964 Downtown Kitchener — A Land Use Analysis
- 1964 Town of Preston — Urban Renewal Study
- 1966 Downtown Kitchener — Economic Analysis for Redevelopment Planning (updating 1964 report)
- 1967 Downtown Urban Renewal Scheme, Kitchener
- 1967 Central Kitchener, Urban Renewal Scheme, Phase 1
- 1967 Town of Hespeler — Urban Renewal Study
- 1968 City of Waterloo — Urban Renewal Study

#### ECONOMIC SURVEYS AND GENERAL PLANNING STUDIES

- 1963 Conclusions and Recommendations — Report 5 (Midwestern Ontario Development Association study)
- 1964 Waterloo Area
- 1964 Kitchener 2000
- 1965 Midwestern Ontario Region Economic Survey — Dept. Economics & Development
- 1966 Economic Material on the Midwestern Ontario Region

# Appendix C

## STUDIES UNDERWAY IN THE WATERLOO AREA OUTSIDE THE WATERLOO - SOUTH WELLINGTON PLANNING AND DEVELOPMENT STUDY, 1968.

Title	Year Started	Expected Date of Completion	Proposed by	Authorized by	General Subject Matter	Present Status
Baden Official Plan Programme	1968	1969	Baden Planning Committee with the assistance of the W.C.A.P.B.	Council, Wilmot Township	Official Plan Development Programme — survey, analysis, plan, implementation, updating. Legislative framework of an official plan — subdivision control bylaw, interim zoning by-law, committee of adjustment.	Started
New Dundee Official Plan Programme	1968	1969	New Dundee Planning Committee with the assistance of the W.C.A.P.B.	Council, Wilmot Township	Official Plan Development Programme — survey, analysis, plan, implementation, updating.	Underway
New Hamburg Official Plan Programme	1967	1969	New Hamburg Planning Board with the assistance of the W.C.A.P.B.	Council, Town of New Hamburg	Official Plan Development Programme — survey, analysis, plan, implementation, updating. Legislative framework of an official plan — subdivision control bylaw, interim zoning by-law, committee of adjustment.	Underway
Village of Ayr Official Plan Study	1968	?	Dryden & Smith	Council, Village of Ayr	General Planning Study leading to the preparation of an official plan.	Underway
Kitchener Official Plan Study	1965	Dec. 1968	Kitchener Planning Department	Kitchener Planning Board	Plan of the future development of the City of Kitchener.	Draft copy of Official Plan nearing completion.
Complete Revision to the Official Plan for the Town of Hespeler	1965	1968	Dryden & Smith	Council, Town of Hespeler	Planning Study.	Has been presented to Council.
Recommended Programme for the Mid-Western Ontario Development Authority	1968	Nov. 1968	Planning & Resources Institute, University of Waterloo	Regional Development Branch, Treasury Dept.	Survey of the region, major needs & proposed solutions.	To be submitted to the Ontario Government in November 1968.
Midwestern Regional Programme Pilot Study	1967	Dec. 1968	Planning & Resources Institute, University of Waterloo	Regional Development Branch, Treasury Dept.	To determine the research requirements for a regional development plan.	Progress Report on the Regional Evaluation Phase completed.
Analysis of Urban Expansion of the City of Waterloo 1955-65	1965	1969	R. Pando, Master's Thesis	Geography & Planning Department, University of Waterloo	Analysis of factors which have affected the location and timing of different types of urban land use.	Nearing completion.
Analysis of Fairview Plaza & Kitchener's Downtown Mall	1968	1968	Kitchener Planning Department	Kitchener Planning Board	Determination of the effect the Plaza and the Mall have on one another and whether their influence is regional in scope.	Underway

# Appendix C

## STUDIES UNDERWAY IN THE WATERLOO AREA OUTSIDE THE WATERLOO - SOUTH WELLINGTON PLANNING AND DEVELOPMENT STUDY, 1968

Title	Year Started	Expected Date of Completion	Proposed by	Authorized by	General Subject Matter	Present Status
Urban Corridor Development Study, 1941-66, Stratford to Toronto	1967 Summer	1969	Geography & Planning Department, University of Waterloo	Regional Development Branch, Treasury Dept.	Land ownership information using assessment roll data to produce a model showing how much farm land is owned by urban interests. Information on flows from peripheral villages into urban centres to delimit areas of influence.	Land ownership material almost complete.
Study of the Planning Process in Ontario Government Departments	1968	1969	Chuck Wong Master's Thesis	Dept. of Town and Regional Planning, University of Toronto	Analysis as to how the planning function works; Waterloo County is one of the case studies.	Started
Study of future high school sites on the west side of Kitchener-Waterloo	1968	1968	Cities of Kitchener, Waterloo Planning Depts.	Cities of Kitchener & Waterloo Planning Boards	Location of future high school sites.	Underway
Review of activities of the 17 School Boards in the County	1968	1969	Waterloo County Interim Public School Organization Committee	Minister of Education	Review of: —Boards' policies —Boards' procedures —programmes being taught by elementary schools —Programmes being taught by secondary schools —number of classrooms and types —No. of pupils in each grade and projections —school transportation —annual financial reports, budgets and capital forecasts	A number of committees are carrying out this work
Recreation Study	1968	1969	Planning Division, Grand River Conservation Authority	Grand River Conservation Authority	Inventory of Recreation Facilities (including public, private and conservation authority) in the watershed. Analysis of recreation needs in the watershed. Indication as to where new areas could be developed.	Inventory largely completed.
Regional Tourism & Recreation Facilities Study	Every two years		Dept. of Tourism & Information	Dept. of Tourism & Information	Inventory of Tourism accommodation.	Continuing
Inventory of Recreation Facilities	1968 Every two years	1969	Conservation Authorities Branch, Dept. of Energy & Resources Management	Conservation Authorities Branch, Dept. of Energy & Resources Management	Province-wide survey of conservation areas — acreage and facilities offered. Is being prepared in conjunction with the Dept. of Lands & Forests' survey and the Canada-wide inventory of recreation facilities sponsored by the federal government.	Inventory has been completed. Analysis underway.



# Appendix C

## STUDIES UNDERWAY IN THE WATERLOO AREA OUTSIDE THE WATERLOO - SOUTH WELLINGTON PLANNING AND DEVELOPMENT STUDY, 1968

Title	Year Started	Expected Date of Completion	Proposed by	Authorized by	General Subject Matter	Present Status
Inventory of Recreation Facilities	1968	1970	Parks Branch, Dept. of Lands & Forests	Parks Branch, Dept. of Lands & Forests	Inventory of outdoor recreation in Ontario. Study of recreation demand in Ontario.	Inventory for South- ern Ont. completed. Will be transferred to computer cards in early 1969.
Grand River Regional Sewage Study	1967	?	Ontario Water Resources Commission	Ontario Water Resources Commission	To investigate flow characteristics of the Grand River and determine its capacity to receive sewage effluent.	Inventory of stream flow information completed.
New Dundee Sewage Study	1968	1969	Ontario Water Resources Commission	Ontario Water Resources Commission	To determine the costs to the municipality of installing a community system of water supply and sewage disposal.	Underway
New Dundee Conservation Authority Dam Study	1968	1969	Kilborn Engineering Ltd.	Grand River Conservation Authority	To determine the possibility of widening the road across the dam and, if so, whether the existing structure would serve or whether a new dam would have to be built.	Underway
Trip Activity Patterns of Households	1968	1969	J. H. Shortreed, University of Waterloo	C.M.H.C.	Study of the effect on household activity of a new expressway located in the Kitchener- Waterloo Area.	Submitted as a re- quest for support from C.M.H.C.
Recreation facilities' location model	Feb. 1968	Dec. 1968	Carmen Wilson, Master's Thesis	Dept. of Geography Waterloo Lutheran University	Development of a locational model for the facilities of a municipal park system, and a study of the legislation as it affects the acquisi- tion of land to meet the requirements of the model. Kitchener-Waterloo is the case study.	Nearing completion.

## APPENDIX D

### ANALYSIS OF INTER-RELATIONS IN THE WATERLOO AREA

The material set out below summarizes a variety of information about the various municipalities in the Review Area, and their relationships with one another and with adjacent municipalities. The basic data was compiled from a number of sources to assist in the task of defining the social and economic communities in the Area. The information was derived from the Census of Canada, Department of Highways and local traffic surveys, the Bell Telephone Company, the Post Office, newspapers in the Area, and the municipal Assessment Commission.

#### Telephone Calls

Calls made between centres where there was no charge were naturally higher than between centres where there was a toll. But the absence of a toll in itself is an indication of a strong relationship since it does not always seem to depend on distance.

The conclusions that may be drawn from examining the pattern of telephone calls are as follows:

- 1) There does not seem to be a strong relationship between Guelph and centres within Waterloo County. The only two centres where no toll is charged to and from Guelph are Hespeler and Breslau. In centres such as Galt where a toll is charged both for calls to Kitchener and Guelph, the number of calls made to Kitchener heavily outweighs the number made to Guelph.
- 2) Hespeler has a stronger relationship with Galt than it does with Kitchener. No tolls are charged for calls made to either of them but the number of calls to Galt is twice as many as the number made to Kitchener. The number of calls made to Preston from Hespeler is slightly less than the number made to Kitchener so that it would seem that the relationship of Hespeler with Preston and Kitchener is about the same and much weaker than that with Galt.
- 3) Preston seems to be about equally drawn between Kitchener and Galt, in spite of its closer proximity to the latter.

#### Labour Force Occupation Characteristics

Labour force counts people where they live.

- 1) Waterloo and Hespeler illustrate the two extremes of labour force characteristics. In general, Waterloo has a preponderance of "white

collar" workers, having the highest proportions of the municipalities concerned in Managerial, Professional-Technical, Clerical, and Sales. Hespeler has the lowest proportions in these same categories as well as in Service-Recreation. Hespeler dominates the "blue collar" labour force categories with the highest proportions in the Craftsmen and Labour categories while Waterloo has the lowest.

- 2) Waterloo and Guelph are the two cities with universities, and as such, their labour force occupation groups have much in common. They have the highest in the Professional-Technical group with 10.3% and 12.2% respectively, and the lowest in the Craftsmen group with 33.8% and 32.8% respectively. Guelph, however, is unique in its very high proportion in the Service and Recreation group in 14.3%. Its nearest rival is Preston with 10.7%.

- 3) The labour force characteristics of Galt and Preston have much in common with one another than with Kitchener or Waterloo. They each have about 13.5% of their labour force in Clerical while Kitchener and Waterloo have about 16.5%. Similarly, Galt and Preston have 43% of their labour force classified as Craftsmen while Kitchener and Waterloo have about 35%. In Sales Galt and Preston each have 6.8% while Kitchener and Waterloo have about 8.0%. Only in Professional and Technical do the proportions of Galt and Kitchener come close while Preston's is lower and Waterloo's higher.

#### Labour Force by Industry Groups

- 1) The characteristic of the labour force by industry groups of Kitchener and Waterloo are very similar to one another as are the characteristics of Galt and Preston. Kitchener and Waterloo have higher proportions of their labour force in Construction, Trade, Finance, Service and Public Administration than Galt and Preston, while Galt and Preston have a higher proportion in manufacturing.

- 2) Guelph shows no significant similarities with any of the municipalities within Waterloo County.

#### Religious Affiliation

- 1) The make-up of the populations of Kitchener and Waterloo were very similar to one another.

In general, each showed a high proportion of their populations as Roman Catholic (33.5%, 29.9% respectively) and Lutheran (about 24.0%), and a relatively low proportion as United Church (less than 14.0%), Presbyterian (about 6.0%) and Anglican (around 8%).

2) The picture for Galt was almost the exact reverse, with only 5.2% of its population shown as Lutheran while Anglican and Presbyterian found a much higher proportion at about 18% and Roman Catholic a lower proportion at 20.7%.

3) Guelph showed no significant similarities with any of the municipalities concerned.

4) In general, Preston and Hespeler followed the pattern of Galt, with a relatively high proportion in the Anglican, Presbyterian and United Church group when compared to Kitchener and Waterloo and a relatively low proportion in the Lutheran group, but the figures are not as extreme as those for Galt. The only case where this general rule is not followed is the Roman Catholic population of Preston which is almost as high as Waterloo's with 29.3%.

### **Ethnic Origins**

1) Galt, Guelph, Hespeler and Preston are predominantly British in origin, the proportions of their populations being 68.9%, 68.1%, 60.0% and 54.0% respectively.

2) Waterloo, Kitchener and Bridgeport are predominantly German in origin, the proportions being 45.3%, 42.7% and 52.0% respectively.

3) Although Preston is more similar to Galt and Hespeler than it is to Kitchener and Waterloo, it does have a lower proportion of its population British in origin and a higher proportion German in origin than Galt and Hespeler.

4) Guelph's population is very similar to Galt's in terms of its ethnic origins. The only exception is its high proportion of Italians (10%) which makes it different from any of the municipalities concerned.

### **Employment Characteristics**

Employment counts people where they work.

1) Galt and Preston are the most industrial urban centres of those for which information is available, with 62.9% and 73.9% respectively of their total employment working in manufacturing. Galt and Preston have the low-

est proportions working in the "Other" employment category which covers services, office, transportation, etc., being around 20%.

2) The employment characteristics of Kitchener-Waterloo and Guelph are very similar. They each have a considerably lower proportion of their total employment working in manufacturing than Galt and Preston, the figure being around 48%. The proportion in the "Other" category is higher for Kitchener-Waterloo and Guelph (36.3% and 41.4% respectively) than it is for Galt and Preston.

3) The Retail employment figures do not show any significant differences in characteristics. They range from a high of 15.1% in Kitchener to a low of 8.0% in Preston, with Galt having 13.5% and Guelph 10.7%.

### **Average Family Income**

1) Waterloo has by far the largest average annual family income with a figure of \$6,848. This is in line with its "white collar" labour force characteristics. It is followed by Kitchener with \$5,905.

2) Galt and Preston are very close with \$5,573 and \$5,422 respectively. Hespeler is the lowest with \$5,102.

### **Newspaper Circulation**

#### *Daily Newspapers*

1) The Kitchener-Waterloo Record serves the entire County of Waterloo with the exception of Preston, Galt and Hespeler which are largely served by the Galt Reporter. North Dumfries Township is served by both the Record and the Reporter.

2) Of the total number of local daily papers delivered in Preston, approximately one-third are K-W Records and two-thirds are Galt Reporters. In Galt homes, more than 90% of the daily papers are Galt Reporters and only 10% are K-W Records. Hespeler shows a similar strong preference for the Reporter — 1,322, compared to 447 for the Record. It would seem, therefore, that the influence of Kitchener is stronger on Preston than it is on Hespeler and Galt.

#### *Weekly Newspapers*

1) The circulation of the Elmira weekly newspaper is confined to the area around Elmira and extending north into Peel Township. Relatively few papers are delivered in the area south of Elmira.



2) More copies of New Hamburg's paper are delivered to Kitchener-Waterloo than to any other centre apart from Baden.

3) The Preston weekly newspaper has a larger number of papers (436) delivered in the Breslau area than anywhere else outside Preston. Significantly, only 19 papers are delivered to Galt, which would seem to indicate a lack of interest in Galt of Preston news.

#### *Rural Postal Points*

1) Kitchener serves only a small area outside the city limits.

2) Galt serves a wide area in North Dumfries Township as well as extending into South Dumfries and Beverly.

3) Elmira is oriented towards the north, serving a major portion of Woolwich Township and extending into Peel.

4) Preston serves the area to the north as far as the airport and west to the Grand River.

5) Hespeler's area of service extends well into Puslinch Township on either side of Highway 401 but only a small portion of Waterloo Township is served by Hespeler.

#### **Traffic Origin-Destination**

1) The number of people living in Galt and working in Preston is higher as a proportion of the total Galt labour force than the number who work in any other centre. Similarly, a larger proportion of Preston's labour force work in Galt than elsewhere. It would seem therefore, that in terms of labour force movement, Galt and Preston have stronger ties with each other than with any other centre. The strong relationship between Galt and Preston also applies to other trips — in terms of total other trips, the number made from Galt to Preston far outranks the number from any other source. Similarly, the number from Preston to Galt is much larger than to any other centre. In both cases, Kitchener has the next highest number, followed by Hespeler.

2) Hespeler's strongest ties are with Galt, with 30% of its labour force working in Galt. This is followed by Preston with 11% and Kitchener with 9%.

3) Kitchener seems to exercise relatively little drawing power on Galt. More people travel to Galt from Kitchener for all purposes than travel from Galt to Kitchener, the only exception being for shopping.

4) It would seem that, in terms of travel movement, the relationship of Guelph with municipi-

palities in Waterloo County is not strong and that, unlike most of the nearby municipalities, Kitchener does not exercise much drawing power over Guelph. Guelph's ties with Toronto are almost as strong as its ties with Kitchener and yet Guelph is sixty miles from Toronto, while Kitchener is only fifteen miles away.

5) Kitchener is the focal point of the County in terms of number of trips made to it for all purposes. But its attraction as the main employment centre does not extend to Guelph and Galt while its importance is relatively small on the labour force of Preston and Hespeler. But for other purposes, particularly for shopping Kitchener's sphere of influence is dominant throughout the County and extends as far as Guelph.

6) The City of Waterloo has relatively little impact on its surrounding municipalities. It is dominated, both for work trips and for all other trips, by Kitchener.

#### **Place of Work - Place of Residence**

1) The municipality with the highest proportion of its labour force living and working within the municipality is Kitchener with 84%. Galt is next with 76%. It is not surprising that the municipality with the largest population in the County, Kitchener, has the resources to employ the vast majority of its labour force within its boundaries. What is surprising is that Galt, with a labour force about one third the size of Kitchener and within fairly easy access of Kitchener, is still able to employ almost the same proportion within its municipal limits as Kitchener.

2) The Town of Preston has a relatively lower proportion of its labour force living and working within the municipality. The City of Galt exercises a strong drawing power on Preston's labour force.

#### **General Findings**

1) There would seem to be relatively little in common between the two cities of Kitchener and Galt.

2) Galt and Hespeler have strong ties with one another.

3) The ties between Galt and Preston are strong but Preston is also influenced by Kitchener — to a much greater degree than either Hespeler or Galt.

4) The relationship of Guelph with municipalities within Waterloo County would seem to be weak.

## APPENDIX E

### RECOMMENDATIONS FOR LIBRARY SERVICES

The Problem	The Recommended Solution	For action by
What action can be taken to develop library services as a single, integrated force for the total community?	1. Enact enabling legislation which will place all libraries under the jurisdiction of a board of education in areas where the board of education and existing library boards mutually agree that this action should take place.	Legislature Boards of Education Library boards
	2. Where no county or regional library exists in an area which is under the educational jurisdiction of a board of education, place the power to develop a library program with the board of education.	Legislature Boards of Education
	3. Integrate the development of school libraries with community library services.	School boards Library boards
	4. Create local school policies which will provide greater access to school libraries in other than school hours.	School boards
	5. Remove restrictions which link grant reimbursements for the construction of libraries to schools of specific size, and place all decisions regarding the need for and location of libraries with the school board concerned.	Department of Education

Source: "Living and Learning" The Report of the Provincial Committee on Aims and Objectives of Education in the Schools of Ontario, 1968.

## APPENDIX F

### FINANCIAL IMPLICATIONS OF URBAN GROWTH

Excerpts from the Fourth Review of the Economic Council of Canada (Pages 215 to 222) relating to the problems of local government finance in urban areas:

The concentration of population in urban centres, and particularly in the large centres, brings greatly increased demands for collective services and social capital. These have fallen at least initially on municipal governments but the growth in the responsibilities of these governments has not been matched by corresponding increases in their financial powers. Many municipalities have been caught in a "squeeze", with revenues from their own sources — still largely the real property tax — lagging behind expenditure requirements. Their accounts have been balanced in recent years by larger grants from senior governments and an increased absolute volume of borrowing and, over the longer run, by some shift of functions to the senior governments. But, there is considerable evidence to suggest that the *terms* on which the accounting balance has been attained — particularly in respect of the quality of urban services — are less than satisfactory from the viewpoint of either the contribution of urban development to growth or the participation of the urban resident in the fruits of the growth process.

With a strong trend towards further urban concentration of Canada's population in the future, especially in the larger centres, it is important to give much greater attention to the financial development of our urban municipal governments.

Examination of the historical record suggests that the financial structure of Canadian municipalities was reasonably well adapted to the requirements of the late nineteenth century. But modernization of this nineteenth century machinery has failed to keep pace with the needs of accentuated urbanization in this century.

At Confederation the real property tax provided a substantial proportion of provincial-municipal revenue and the provinces in fact looked to expanding municipal organization and property tax revenue to finance a growing proportion of provincial-municipal responsibilities. This was consistent with the view then held that the functions of government left with the provincial-municipal jurisdiction — civil government, local public works, the administration of justice, education and social welfare — would show only slow growth.

In fact, with increasing urbanization, some of these services and notably education, social welfare and transportation facilities, grew very rapidly. Despite some shift in responsibilities to senior governments during the 1930's and 1940's, particularly in respect of health and welfare services, many municipalities faced increasing pressure on their finances in the renewed upsurge of expenditure after the Second World War.

The prolonged expansion in municipal expenditures since 1945 has been based on a combination of factors including the backlog of projects deferred during the Depression and the war, rising average incomes and the particularly rapid growth in the population classes requiring the largest proportion of municipally supported services, notably school age children.

Real property taxes continued to account for more than three quarters of the total revenue from the municipalities' own sources over the period 1953-63 and it is worth noting that they rose more than one and a half times as rapidly as personal income. Despite this very considerable response, the operation of this tax source continues to provide a sharp contrast with the more dynamic revenue sources open to senior governments. The personal income tax, for example, automatically produces substantially higher revenues at unchanged tax rates in a growing economy because of the fairly rapid expansion in taxable income. Data on the real property tax base are at present most inadequate, but our preliminary investigation suggests that on average the base has risen at only about the same rate as personal income, or perhaps very slightly faster. But since municipal expenditures were rising considerably faster than personal income, many municipalities have for some time faced upward trends in the rates which they must apply to the property tax base. In some cities this upward trend in rates has accelerated in the last several years. The necessity of facing annual decisions to raise the tax base (reassessment) or to increase tax rates obviously has decided advantages for budget restraint and municipal taxpayers' interests. At the same time, it may create some built-in discrimination against services performed at the municipal level no matter how important they may be in relation to growth or to the general welfare.



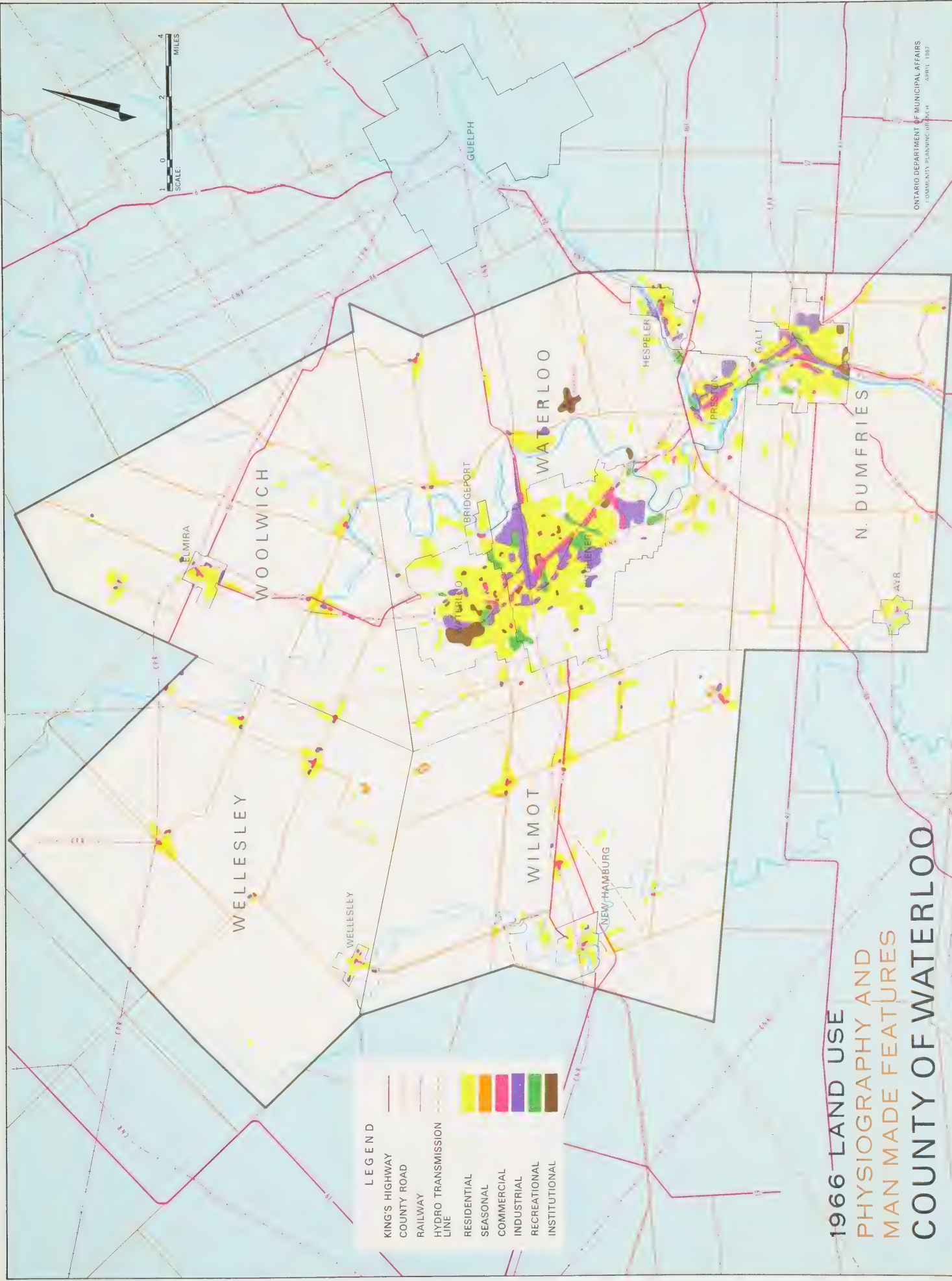
These figures indicate that some action to obtain additional revenues will have to be taken to prevent a decrease in the quality of our urban services. Commendable efforts are already being made in several provinces to reform the property tax through, for example, better assessment practices. These need to be extended rapidly in all parts of the country. In addition, the possibility of greater returns from other municipal revenue services, such as utility charges, need to be explored more thoroughly. But it is highly doubtful that the municipal revenue base, even with improvement, would be sufficient to support the growing needs of many of our large communities as their populations expand. It is *not a question of whether further assistance is required from the senior governments, but rather what forms should such assistance take.*

This question has concerned all of the Royal Commissions or committees which have looked at the problems of municipal finance in recent years, and a general consensus appears to be emerging. The broad *principle to be followed, difficult though its application may be in practice, is this: services whose benefits accrue to areas wider than the individual municipality should in part be the responsibility of a wider government jurisdiction.* In an economy where people are increasingly mobile, this principle can be translated into a case for the broader jurisdiction, particularly

jurisdictions with access to the more dynamic tax sources, supporting a substantial part of *services to people* while allocating local expenditures more to *services to property*. For this reason, several of the recent Commissions have recommended a larger share of financial support from senior governments for education. The Council supports this conclusion. There are cogent reasons for retaining a substantial local interest and responsibility in schooling; but the present variation across the country in the proportion of local schooling supported by municipalities suggests that there are many areas where the average municipal share could be lowered without undue harm to local responsibility and autonomy. Other areas of responsibility, such as transportation, may be less clear-cut than education.

In the past, *the problems of our urban areas have been approached by senior governments more from a viewpoint of maintaining financial integrity and financial control than from that of planning for growth.* It is becoming more and more clear, however, that many aspects of Canadian economic growth and of policies at all levels of government, as well as of private decision-making, are being increasingly affected by the financial problems of urban governments, particularly of the larger cities. These problems must be attacked on a broad front within the framework of the Canadian constitution.





ONTARIO DEPARTMENT OF MUNICIPAL AFFAIRS  
COMMUNITY PLANNING BRANCH      APRIL 1987

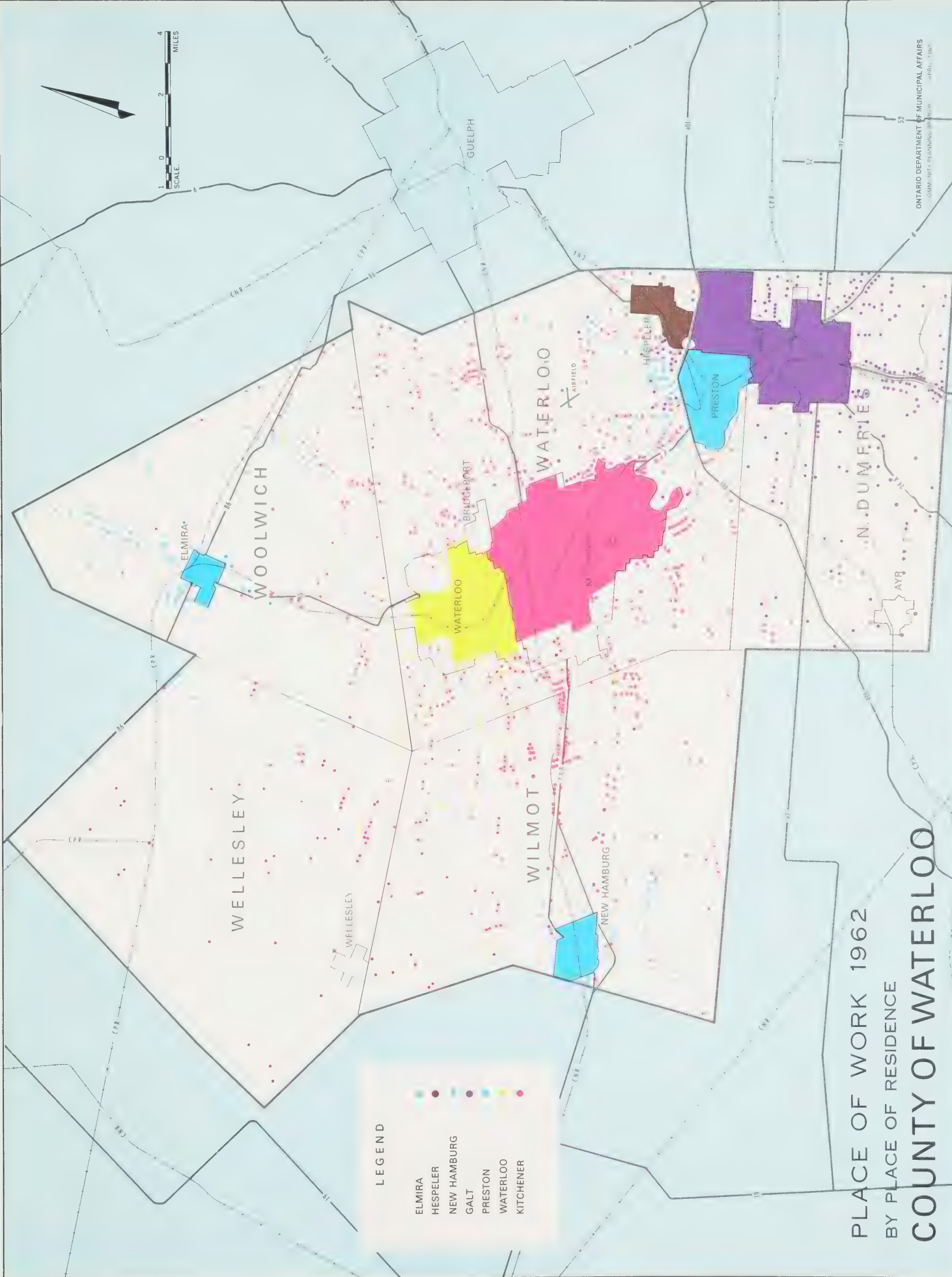












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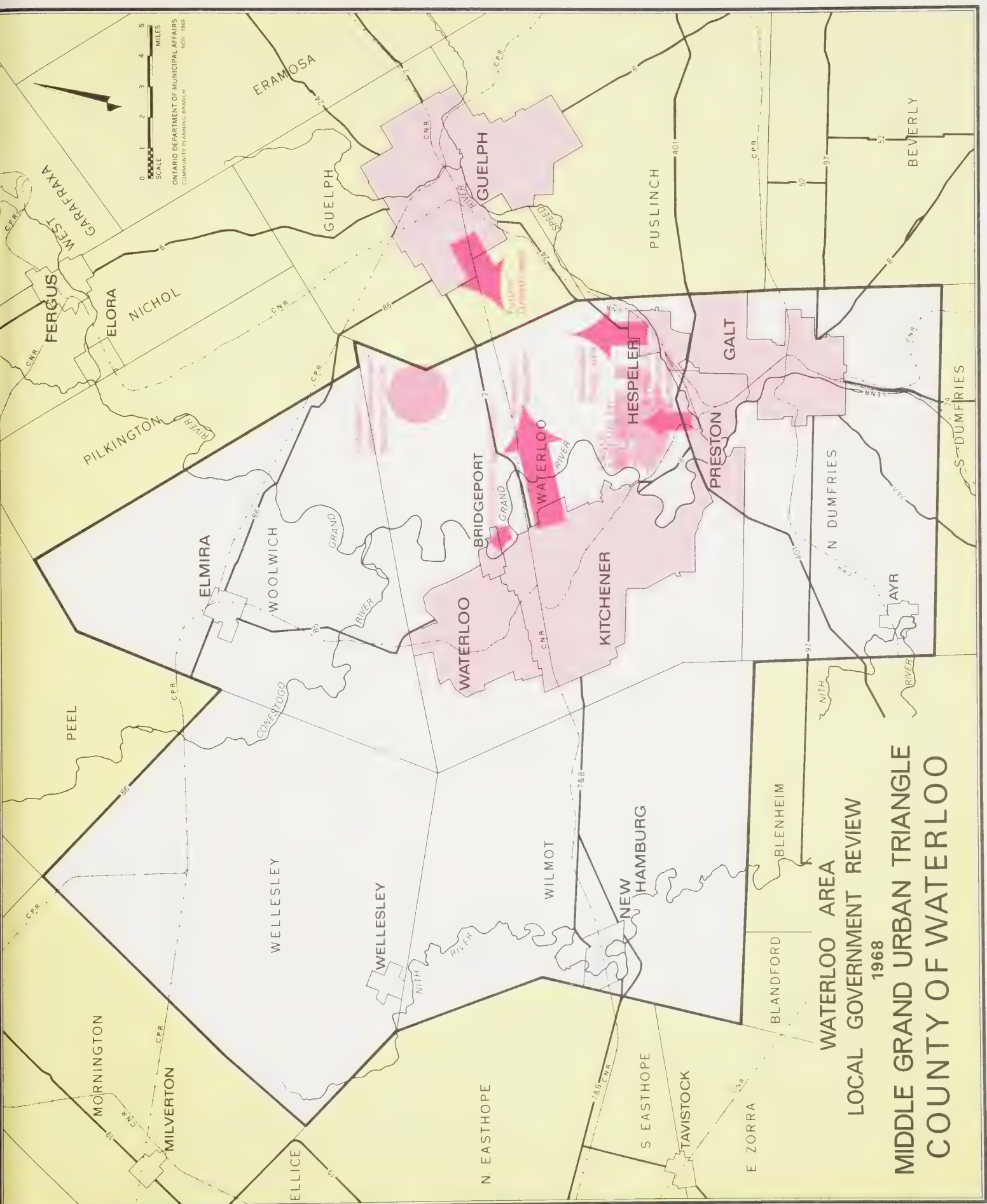
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- ELMIRA
- HESPELER
- NEW HAMBURG
- GALT
- PRESTON
- WATERLOO
- KITCHENER

PLACE OF WORK 1962  
BY PLACE OF RESIDENCE  
COUNTY OF WATERLOO

ONTARIO DEPARTMENT OF MUNICIPAL AFFAIRS  
COMMUNITY PLANNING BRANCH  
JANUARY 1963





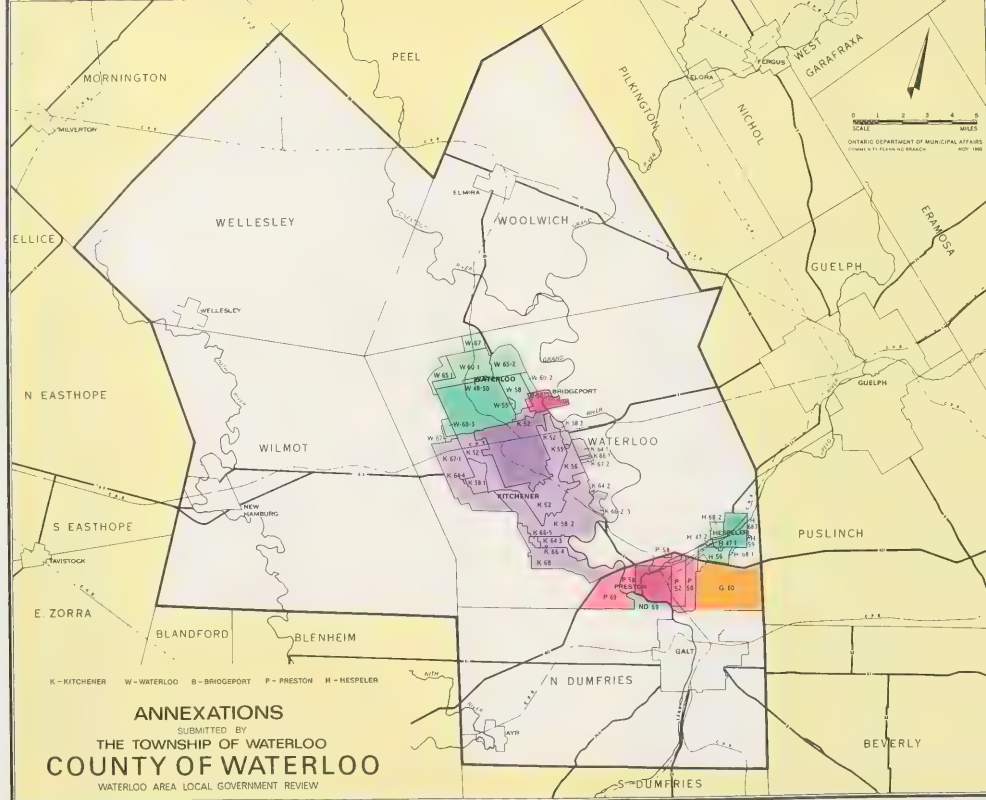




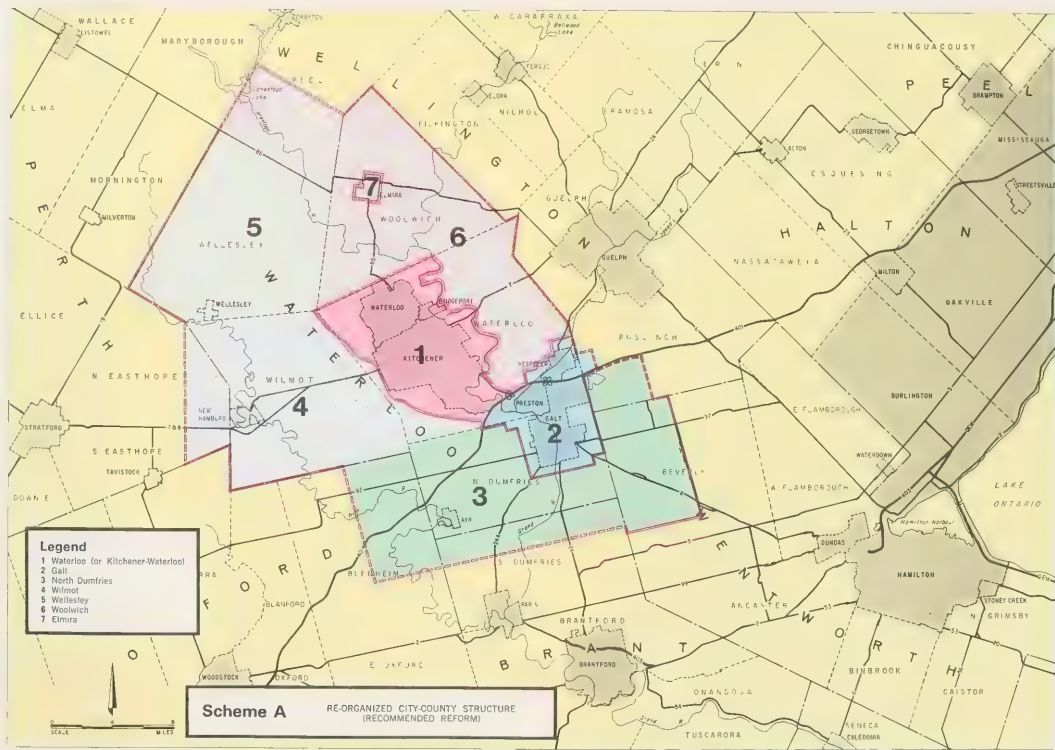


























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